

Extra £2,500m in Budget urged by TUC

Chancellor will be asked by the TUC on Monday to put an extra £2,500m into the economy in his Budget on Tuesday week to avoid threat of severe unemployment. They want £100m in increased social payments and £150m in investment. The congress will not, however, be able to promise in return action to tighten the social contract.

o pledge on pay pacts

Raymond Perman, TUC Staff, said the TUC will ask the Chancellor on Monday to put an extra £2,500m into the economy in his Budget on Tuesday week to avoid the threat of heavy unemployment next year, but not be able to offer in any commitment to sign up the social contract's lines on pay claims.

Investment would be increased by using the Industry Act and the proposed National Enterprise Board, but the TUC would also be prepared to go a small way with the Confederation of British Industry in easing price controls relaxed. Relaxation would be allowed on condition that it should be temporary, say, for 12 or 18 months, and that increased profits should be used only for investment in plant and machinery for manufacturing industry.

As a safeguard, the TUC will propose that the Price Commission should be given powers to cancel any price increases it sanctions if it finds that companies have not used the extra money for investment.

The economic committee was said to be "saddened and surprised" about premature reports of the secret documents prepared by the TUC's staff that had appeared in newspapers.

He is concerned about the publicity being given to wage demands apparently in conflict with the social contract. His committee may be increased next week when the powerful policy-making committee of the engineering union meets to consider its wage claim for next year.

But although leftwingers will press for a big increase it is likely that they will honour their existing agreement until it expires in April. On the credit side for the social contract is the fact that one million local council manual workers and 220,000 hospital employees are likely to settle soon within its terms. The miners, too, despite the uncertainty over their production deal, have dropped a demand to get back to November for their annual bargaining date instead of March.



Captain Brian Greenwood with his wife (left) and daughter Julie after the Halcyon the Great berthed at Tilbury yesterday.

Court Line tanker is arrested

By Michael Horsnell
The Halcyon the Great, Court Line's 227,000-ton tanker, which slipped past Canadian police boats at Newfoundland last month at the start of a dash across the Atlantic, was arrested shortly after docking at Tilbury yesterday.

Mr Patrick Gray, the Admiralty's Maritime Officer, fixed a writ and notice of arrest to the wheelhouse window. Later Captain Brian Greenwood, aged 45, the ship's master, said "Everything we did in getting away was entirely legal and honourable. My obligation towards my crew is to look after their welfare and wellbeing and since the Court

Line crash the officers and crew have been very concerned about the welfare of their families and about getting the money they had worked for." He said the crew's wages and his own had now been guaranteed and many of the 51 members of the crew would remain on board until she was sold. Captain Greenwood denied that the boat had sneaked away from the port of Come-by-Chance, Newfoundland, where he had discharged his cargo of oil. He said he had received customs clearance, but there were fears of the imminent arrest of the ship for allegedly not paying a \$300,000 fuel bill together with docking fees.

The writ against the vessel was issued in London in the Admiralty Courts by Bankers Trust International Ltd, who claim to hold three mortgages totalling more than £6m. The £12m tanker nosed slowly up the Thames yesterday morn-

ing after mooring to a buoy in the estuary on Thursday night. Shortly before 10 am she had docked at Tilbury for degassing and tank cleaning, which are expected to take about 10 days. Then she will be moved to the repair jetty of the London Graving Dock Company, where she will remain until she is sold. Out of service, her maintenance and other costs amount to £30,000 a day. Captain Greenwood, who has been master of the ship for six years, said he heard about a personal arrest warrant being taken out against him for unlawfully leaving a berth only when they were two days out of Newfoundland. "I had been expecting the arrest of the ship at Tilbury," he added. "The Admiralty Maritime Officer just came up to see me and introduced himself and we had a little private discussion so that he could explain what he was going to do."

Mr Heath to test rule change view

By Geoffrey Smith
Political Staff
Mr Heath has no intention of accepting the deliberations of the Conservative 1972 Committee on Thursday evening as a signal for his departure. His first move is likely to be to consult the chief whip and the officers and executives of the 1972 Committee who will be elected next Thursday in order to satisfy himself whether there is a truly widespread desire within the party for a revision of the rules for electing the leader.

If it is confirmed that there is such a wish, detailed discussions will take place on what changes should be made. Many Conservative MPs, supporters as well as opponents of Mr Heath, accept that the desire exists. This could well take some months, because if the electoral college is to be extended beyond the party's MPs, it may be no simple matter to define with precision the categories to be added. Although it is the practice that the rules are laid down by the leader—the present

arrangements were determined by Sir Alec Douglas-Home while in that position—there would clearly be a wish that any revision should be generally acceptable.

Once this had been settled, there would then presumably be a new election for leader. In his present frame of mind Mr Heath would certainly stand particularly for a revision of the rules. He has a belief in his camp that a high proportion of speakers at Thursday's 1972 Committee meeting were carefully selected from among his longstanding critics. If he did stand again it is most unlikely that Mr White, law or possibly other leading contenders, would challenge him. For that reason, a new election could be to Mr Heath's tactical advantage. At present there are broadly three sectors of opinion within the party: those who want him to stay on indefinitely, perhaps until the next election; those who want him to go but not yet, either because they fear too swift a departure would appear

unseemly or because they think the delay would improve the chances of their own favoured candidate; and those who believe his time is up and the quicker they deed is done the better.

There are reasons why all three groups should wish to see the electoral rules revised. Mr Heath made a forceful speech to 300 West Wales party workers at Llanelli yesterday in which he said Conservative election warnings to voters were already beginning to come true (the Press Association reports). He said: "We must be a united opposition to fight this Government on its policies, because the policies are wrong and are damaging and dividing the country." Afterwards Mr Leslie Knipe, chairman of the Conservative Party Welsh Council, said to him: "The nation will turn to you for leadership. I am commanded by the chairmen of the majority of the associations in Wales to pledge to you their utmost support."

Donor put £1,500 gift in bank for Mr Wilson

By a Staff Reporter

Two accounts were opened in Mr Wilson's name last year at the London branch of the International Credit Bank of Geneva, an official in the Prime Minister's office, said last night. All accounts at the branch have been temporarily frozen since October 9, when the bank asked the Swiss authorities for permission to declare a moratorium on payments due to creditors.

According to the official, the accounts were opened by a donor who wishes to remain anonymous and were intended solely to help with the running expenses of Mr Wilson's private office at that time, when he was still Leader of the Opposition. A sum of £1,450 was put on deposit and a further £50 in a current account; neither account has been touched.

The donor apparently had chosen the International Credit Bank because he was a close friend of Dr Handler, the managing director. "The choice was not Mr Wilson's," the official said.

There is nothing to prevent any British resident from opening a sterling account with one of the many overseas banks with branches in London. The same exchange control regulations apply as to an account with a British bank and there is no question of the money being freely transferable abroad.

The International Credit Bank was founded in Geneva 15 years ago by Dr Tibor Rosenbaum, who owns 60 per cent of the equity. A further 36.4 per cent was owned until recently by the Hessische Landesbank, Girozentrale, of Frankfurt, which withdrew last month.

After its request for a moratorium the Swiss Federal Banking Commission asked for an emergency audit of the bank's books.

President Ford finds Mr Nixon 'alert' during hospital visit

From Patrick Brogan
Washington, Nov 1

President Ford today interrupted his political campaigning in the West to visit Mr Nixon in hospital at Long Beach, California. They spent 15 minutes together.

"He was very alert and very interested, but it was very obvious to me that he'd been very, very ill", Mr Ford said as he left. "He showed a great deal of strength. I told him that all our family was praying for his complete and total recovery."

The President said he briefed Mr Nixon in his plans for trips in the near future to Japan, South Korea and the Soviet Union. He said he also informed him about Dr Kissinger's visits to the Soviet Union, India, Pakistan and Afghanistan.

Mr Ford telephoned Mrs Nixon yesterday to ask if he could make the visit, and she told him that she could not think of anything which would do her husband more good. She was at the hospital to greet him today with her daughters, Mrs Julie Eisenhower and Mrs Tricia Cox.

In their bulletin today, Mr Nixon's doctors said that the internal bleeding seemed to have stopped and that his health was improving steadily. They still could not issue a firm prognosis and his condition was still termed "critical", but the doctors seemed more optimistic than they were yesterday.

Washington, Nov 1.—Several prominent American vascular surgeons have expressed surprise at the operation performed on Mr Nixon to prevent blood clots from reaching his heart and lungs.

The implied criticism of the placement of a clamp on a vein in Mr Nixon's left leg drew an angry rebuttal from officials at the Long Beach Memorial Hospital where the surgery was performed. "I don't think one surgeon in a hundred would do it that way," said Dr John Keshishian of George Washington University medical school here. He

declared that the operation performed on Mr Nixon had been discarded by the profession about 15 years ago.

"If all goes well with the former President, perhaps we'll all be doing it in the future," said Dr Edwin Ewen, chief of peripheral vascular surgery at the well-known Cleveland Clinic. "But I've never seen or heard of this before."

When surprised Dr Keshishian, Dr Ewen and four other prominent vascular surgeons interviewed by the Washington Star-News, is that Mr Nixon's surgeon, Dr Eldon Hickman, had placed a plastic clip on the iliac vein of his patient's left leg.

They had expected, they said, that the clip or other obstacle would instead have been placed on the inferior vena cava. The iliac vein flows into the inferior vena cava, the major vein returning blood from the lower body to the heart.

Dr Hickman could not be reached for comment. Earlier however, in an interview with the Chicago Tribune, he refused to explain why he had applied the plastic clip to Mr Nixon's iliac vein instead of the inferior vena cava, saying "Our decision was based on medical considerations, venograms and other diagnostic procedures."

Washington Star-News. Our Medical Correspondent writes: Two operations are commonly performed to prevent blood clots hardening in the bloodstream from the leg to the heart. If only one leg is affected the surgeon may simply block off the main femoral vein at the top of the leg—a relatively nontoxic procedure.

The alternative and more serious operation is directed at the vena cava, the main vein running alongside the spine and carrying blood from both legs and the pelvis. Mr Nixon's surgeons blocked off one of the iliac veins, which are the main tributaries of the vena cava, but in so doing they seem to have chosen a halfway house between the more usual procedures.

Mr Wilson's rebuke to three ministers a challenge to party, left wing says

By Our Political Staff

There was a vigorous response from the Labour back benches yesterday to the rebuke delivered by the Prime Minister to three ministers, believed to be Mr Benn, Mrs Hart and Miss Lester, who had supported a national executive resolution criticising the Government over the South African naval exercise. Mr Wilson has demanded assurances that they would not do the same again.

The reaction was strongest from the left wing of the party. Mr Norman Atkinson, a leading member of the Tribune group, said the letters challenged "the very base upon which our party is built". Some moderates felt that Mr Wilson had made a stand now but others questioned whether his sense of timing was sure in this instance, particularly as the party will in all probability have to be tolerant of the expression of very different opinions on the EEC in the months ahead.

Mr Sidney Bidwell, chairman of the Tribune group, said: "I hope this is not a second dog licence situation over again", referring to Mr Wilson's threat some years ago to deny official support at elections to rebellious members.

Mrs Renée Short made the same point, and both she and Mr Atkinson raised the question of the dual loyalty of ministers who were also members of the national executive.

"At present no fewer than 11 of the 28 members composing the executive are government ministers," Mr Atkinson said. "If the Wilson edict stands and is accepted, then clearly the movement can no longer elect ministers to its executive and still maintain the democratic nature of its extra-parliamentary leadership." So, he added, for the election of the new executive later this month each nominee would have to be asked whether he accepted or rejected the doctrine. Unless there was a withdrawal of the Wilson qualification the matter would have to be voted on by conference. He hoped that the situation would not arise, for it would raise a leadership confrontation of the wrong kind.

Mr Short said that members of the NEC were elected for a certain purpose. "If that conflicts with ministerial duties is the Prime Minister saying they should not be ministers or not be on the NEC? They have dual responsibilities, which makes it very difficult for them."

Mr Atkinson saw a further question at stake. "In my opinion the real issue behind the controversy is the Labour Party executive's vetting of the Common Market negotiations. Jim Callaghan personally is now firmly committed to guiding the talks towards keeping Britain in Europe." Mr Robert Croyer, MP for Keighley, said that the Prime Minister had accepted or rejected the doctrine.

Tripartite body to study future of Herbert group

A tripartite consultative body comprising Government, management and union representatives is now considering the future of troubled Alfred Herbert Group, one of most important companies in Britain's machine tool industry. Mr Anthony Wedgwood Benn, the Secretary of State for Industry, announced the formation of the body yesterday and said that it would be developing a long-term corporate strategy for the company.

Government plans to take a stake in the company through the National Enterprise Board and appears to have agreed to underwrite borrowings of £2m. Page 17

Boy loses £15,025

A boy seriously injured when struck by a car lost £15,025 damages in the Court of Appeal. The court found that the car had not been negligent in driving 30 mph and failing to sound his horn in the built-up area. The case is going to the use of Lords. Page 14

S bank cuts prime rate

First National City Bank has cut its lending rate by 1 per cent to 10 1/2 per cent, effective Monday. Page 17

Other pages

- 4, pages 15 and 16
- 4, South Australia recovering after bad start to MCC; Boxing; Plans being made to let Allaway from retirement. Page 9
- 9, Robertson reports on the opening of the Henry Moore Sculpture Centre in Toronto: letter page, 13
- 13, From Dr David Cammell on tied courses; from Mr Tam Dalyell, MP, on the SNP election campaign
- 14, Mr Wilson and the NEC: names; Nato and the Defence Review. Pages 6-12
- 12, Mr Wilson only doing what it said it would.

Farmer pickets arrested

Mr Wilson has asked for fuller reports on the actions taken by British farmers against imports of Irish beef and cattle, it was disclosed yesterday, after he had met Mr Cosgrave, the Eire Prime Minister. About a thousand protesting farmers clashed with the police at Fishguard harbour, Dyfed, yesterday. Page 2

Ralph Reader, secret agent: Mr Ralph Reader says he used his Gang Shows as a cover while an intelligence agent during the war. Page 2

Strike goes on: Glasgow transport workers yesterday rejected their shop stewards' recommendation on a pay offer and voted to continue their stoppage. Page 3

Education: Sir Keith Joseph gives a warning of a dangerous regression towards substantial illiteracy. Page 3

Greek treason trial: Former President Papadopoulos, his "inner junta" and 36 Army officers are to be prosecuted on charges of high treason for the 1967 military coup. Page 4

Rome: Italian authorities assure public of Army's loyalty after arrest of General Miceli on charges of plotting coup d'etat. Page 4

Algeria: Part Two (10 pages), concluding a Special Report. Page 12

says George Hutchinson; Rex Bellamy sports lights Connors, Borg and Vilas. Page 12

Obituary, page 14

Baroness Marie Budberg. Law Report, page 14

Business News, pages 17-21

Stock market: medium dated gilts suffered fresh losses yesterday. Equities were quiet. The FT ordinary share index ended 1.0 down at 196.6. Pages 19-21

Personal investment and finance, pages 18 and 19

Nation Life: Policyholders still in the dark. Bonfire Night: Insurance and law for November 5. Investor's Week: Choosing a gold share. Page 19

Action promised this session over pay beds

Action would be taken in this session of Parliament on the phasing out of private pay beds within the National Health Service, Mrs Castle, Secretary of State for Social Services, said in the Commons yesterday. A joint working party was looking at the future of consultants' contracts in the context of phasing out pay beds.

Dr Derek Stevenson, secretary of the British Medical Association, said yesterday that if Mrs Castle had already made up her mind, as her statement in the Commons suggested, it made a nonsense of the working party discussions.

Mrs Castle's statement amounted to an unilateral decision before the working party has reported and amounts to a serious threat to the individual's freedom of choice", he said.

Sugar trade believes supply from reserves has ended

By Hugh Clayton
Orders for sugar from government reserves are being refused, trade sources said yesterday. Supplies are being distributed under orders still outstanding, but when this is complete the reserves will be closed. This news came as Mr Peart, Minister of Agriculture, said in a Commons written reply that supplies were adequate for the rest of the year.

Mr Desmond Peart, chairman of the Retail Food Confederation, which represents independent traders, said: "It is still issued, but only on orders up to a certain date, and that date was a long time ago."

Mr Wolfgang Heintz, managing director of the A & O International wholesale group, said that on Thursday an important wholesaler reported that he had been told by Tate and Lyle that hundredweight bags of ministry reserve sugar were no longer available.

In recent months wholesalers had been in desperate straits and at best received 60 to 70 per cent of their needs, he added. Tate and Lyle would not comment, but it became clear from sources in the industry that Mr Peart was right. The ministry, which last month said it was still distributing sugar reserves, said yesterday that it could not now discuss reserves.

Mr Peart told Mr Peter Blaker (Cotswold, South) that the total amount of sugar moving into distribution in the year ended September 30 was greater than in the previous 12 months.

Some of the best and others for the worst motives, would like to see Britain out of Europe, now largely deprived of arguments of a tangible and substantial character, will tend to concentrate their attack to a growing degree on the much more diffuse, nebulous and intangible subject of sovereignty. "Of course, a unified Europe—a coherent, active, effective Community in world terms—entails taking our decisions in common with our Community partners. Of course it means sharing with them our capacity to act, our capacity to defend our interests, our capacity to work for the sort of world we want to see."

News	2, 3	Chess	4, 10	Letters	13	Sport	15, 16
Special News	4	Court	24	Obituary	14	TV & Radio	16, 18
Sea News	4	Crossword	24	Parliament	5	Theatres, etc	7, 9
Comments	14	Engagements	14	Premium Bonds	14	Travel	10, 11
Features	19	Birthdays	6-12	Sale Room	2	25 Years Ago	10, 11
GC	11	Gardening	10	Science	14	Weather	2
Index	17-21	Law Report	14	Services	14	Wills	14

Algeria twenty years on

Today The Times concludes its Special Report on Algeria.

In the twenty years since her revolution, Algeria has become not only one of the most developed of the African nations, but has also extended her influence throughout the Mediterranean.

The second half of the Special Report in today's Times discusses the environmental and socio-economic problems still facing Algeria despite her rapid growth in recent years.

How is the socialist government redressing the imbalance between the super-rich and the very poor? What are Algeria's foreign policies regarding her two main exports, gas and oil?

This important Special Report discusses these questions and many other aspects of present day Algeria.

Continued on page 4, col 2

HOME NEWS

Bitter argument breaks out over policing of Ulster after a 'blackmail' charge by SDLP

From Christopher Walker Belfast
At a time of a new and disturbing upsurge of sectarian violence in Ulster, a bitter public argument has broken out over the crucial question of policing in the province.

Scots Tories' inquiry into election failure

From Ronald Faux Edinburgh
Scottish Conservative Party officials and candidates met yesterday in Edinburgh in an attempt to pinpoint the reasons for the party's failure at the general election.

Nottinghamshire pit chiefs back productivity deal

By Our Labour Staff
Leaders of 33,000 Nottinghamshire miners yesterday decided that they would accept and decided to recommend acceptance of the National Coal Board's productivity scheme which it put to a ballot.

Debt collecting measures are stepped up

By Patricia Tisdall
Tougher measures to collect debts are being introduced by Britain's largest credit management organization.

Sir Robert Mark

Sir Robert Mark, Commissioner of the Metropolitan Police, has challenged the assumptions of English law which assume that offenders and outraged the legal Establishment.

issued to all politicians, Mr John Carson, the official Unionist MP for North Belfast, said: "No long-suffering RUC officer should be forced to guard any man who has so little respect for his honourable calling."

MPs react strongly to Wilson rebuke

Continued from page 1
Minister's rebuke to the ministers was a matter for regret, and the party was disappointed for any Labour government is to keep close to the party because in the past the Government has drifted too far from the party and much closer to the Civil Service.

Health authority denies 'cover-up' of deaths

From Arthur Osman Birmingham
The West Midlands Health Authority yesterday denied an MP's allegation that a "cover-up" had taken place over the deaths of four heart patients in a Birmingham hospital.

Council group opposed to director's going

The Conservative group on Nottinghamshire County Council decided yesterday to dissociate themselves from the council's termination of the employment of Mr Henry Waring, the director of administration.

Middle East buyer lightens sale gloom

By Geraldine Norman
A light was provided amid the enveloping gloom at Christie's sale of nineteenth-century Continental paintings yesterday by Mr H. Obeid, of Beirut.

Secret agent Ralph Reader says goodbye

By David Leigh
Ralph Reader, leader of the Scouts' Gang Shows, who takes his retirement bow at the last show in London tonight, revealed yesterday that he worked for British Intelligence during the Second World War.

Fine quality in autumn flower show

By Our Horticultural Correspondent
Superb quality is the keynote of the National Chrysanthemum Society's late show in the Royal Horticultural Society's hall at Westminster.

Navy inquiry into fire on new warship

From a Staff Reporter Cardiff
Fire caused extensive damage on board the new guided-missile destroyer Bristol, 5,650 tons, while it was at anchor in Milford Haven early yesterday.

Burns inquiry called off

Police at Corby, Northamptonshire, yesterday called off a search for youths said to have attacked two boys aged eight by pouring paraffin over them and setting them alight.

Napoleonic plaque

A marble plaque commemorating Napoleon III's life in exile in England was laid at Chislehurst yesterday by a French Napoleonic organization.

Opera house approved

From Our Correspondent Edinburgh
The Royal Fine Art Commission for Scotland has approved Edinburgh corporation's revised outline design for the city's opera house.

New hearing aids

The National Health Service started yesterday to issue the first 50,000 of an eventual one million lighter hearing aids which are worn behind the ear.



Judging at the National Chrysanthemum Society's show in London yesterday.

Fine quality in autumn flower show

By Our Horticultural Correspondent
Superb quality is the keynote of the National Chrysanthemum Society's late show in the Royal Horticultural Society's hall at Westminster.

Farmer pickets arrested in clash

Two farmers were arrested yesterday when scuffles broke out between the police and about 1,000 farmers picketing Fishguard harbour, Dyfed.

Police may get aid on bombs

Mr Jenkins, Home Secretary yesterday that he considers "very serious" the request for more powers to deal with those who plant bombs.

Weather forecast and recordings

Weather forecast and recordings section containing two weather maps (NOON TODAY and TOMORROW) and a table of weather reports for various cities including London, Edinburgh, Glasgow, and others.

Frozen meat traders accused of cheating

From A Staff Reporter Birmingham
People who buy meat in their home freezers are getting a fair deal, the Western Protection department West Midlands County Council said yesterday.

Farmer pickets arrested in clash

The farmers drove three tractors, one of them pulling a trailer, in front of the lorries. They jumped on to one tractor and the police tried unsuccessfully to pull them off.

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HOME NEWS

Transport workers rebuff their top stewards and vote to continue Glasgow stoppage

A Staff Reporter writes: An unofficial strike by 3,200 Glasgow and underground workers is to continue...

The executive's offer is to be left open before the union. It would add £1.2m to the annual wage bill and lead to fare rises...

The Government were not, however, saying what that increase would be, and were not guaranteeing that it could be in teachers' hands by the end of December, he added.

In brief

Duchess to leave hospital

The Duchess of Gloucester is expected to leave St Mary's Hospital, Paddington, tomorrow after the premature birth of her son there on Thursday last week.

The baby, who has been given the title of the Earl of Ulster, was born by caesarian section and will remain at the hospital for a few weeks. But he was described yesterday as "extremely well" and the condition of the Duchess as "extremely satisfactory".

Reduced in rank

Chief Inspector John Ballard, aged 48, in charge of the Buckingham sub-division of Thames Valley Police, has been reduced to the rank of police constable, Thames Valley police said yesterday.

Shop murder charge

Ronald Wood, aged 23, a paint sprayer, of Park Avenue, Hull, was remanded in custody by Hull magistrates yesterday until next Tuesday charged with the murder of Miss Mona Dibb, aged 75, who was found dead at her shop in Melwood Grove a week ago.

Arsonist jailed

John Hall, aged 24, a labourer, who started a fire at a Hull chemical works, causing £450,000 damage, was sentenced at Leeds Crown Court yesterday, to three years' imprisonment. He pleaded guilty to arson.

No action on Tory leak

No prosecutions will follow police inquiries into the leakage of the Conservative Party manifesto before the general election, when a copy disappeared from printing works at Crawley, Sussex.

Lord Olivier improves

Lord Olivier, aged 67, in hospital in Brighton with myositis, an inflammation of the facial muscles, was responding well to treatment yesterday, his doctor said.

Troops at Heathrow

Troops moved into Heathrow Airport yesterday within hours of the Metropolitan Police taking over airport security. Scotland Yard said: "The Army activity is part of a planned exercise."

New uniform scrapped

British Airways' new summer uniform for stewardesses, designed by Hardy Amies, has been abandoned after cabin crew protested that it would make them look "frumpy" and "dowdy".

Flats strengthened

Workmen are strengthening 117 new flats in Northampton after the discovery that they have been built with high alumina cement. Only six of the flats are occupied.

Coach crash injuries

Eight people were taken to hospital injured after their coach, travelling from London to Liverpool, crashed on the A40 near Thame, Oxfordshire, yesterday.

Brighton bus strike

Half of Brighton's buses failed to run yesterday because of a one-day walkout by 140 men protesting about pay and conditions.

Alleged offer by Crown in police chief case

A Chinese policeman was offered a deal to incriminate Peter Godber, the former Hong Kong police chief, Mr David Gunston, Mr Godber's Hong Kong solicitor, said at Old Street Magistrates' Court, London, yesterday.

Mr Cheng Hon-Kuew, a Chinese policeman alleged to have bribed Mr Godber into a promotion, was told by the Crown in the colony that charges he faced over the alleged offence would be dropped if he incriminated Mr Godber, Mr Gunston said.

The Hongkong Government is seeking to extradite Mr Godber to face a charge of accepting a bribe to promote a Chinese police officer. Mr Gunston said that Mr Cheng had written to him and visited his office in Hong Kong strongly denying the allegations of bribery.

Mr Gunston said Mr Cheng had claimed the charge was absurd because at the time of the promotion Mr Godber was a chief superintendent in charge of traffic and would have no say in the matter. The posting would be decided after recommendations from a posting board.

Mr Gunston said: "He told me he had been offered by the Crown that if he would give evidence against Mr Godber and confirm that he had paid over \$25,000 then the charge against him would be dropped. He said he could not accept that offer because he was not prepared to say something in court that simply had never happened."

The hearing continues today.

Jail for PC who 'cooked' blood sample

Police Constable John Hadlow, aged 54, of Church Road, Worlington, near Milldenhall, Suffolk, who was said to have "cooked" a blood sample in a police station oven so that it could not be analysed, was jailed at Ipswich Crown Court on Thursday for 12 months. He pleaded guilty to obstructing the course of justice by interfering with evidence.

His friend Master Sergeant John Wood, aged 46, of the United States Air Force, a security policeman at the Lakenheath base in Suffolk, who had been arrested on a drink and driving charge and for 18 months. He was found guilty of inciting Police-constable Hadlow to obstruct the course of justice.

Union joins employers' attack on strike play

Leading trade unionists yesterday joined their managers in attacking a play shown on BBC television on Thursday depicting a three-week unofficial strike in 1970 that cost 30,000 women clothing jobs in Leeds.

The two-hour play, Leeds-head, was shown in the Play Today series. The Clothing Manufacturers' Federation criticised the play as "inept, inaccurate and insolent" and yesterday the National Union of Millers and Garment Workers attacked it as "biased" and "motivated".

But the playwright, Colin Meek, who spent six months in Leeds gathering material for the script, said it reflected what he saw in Leeds. "It is as truthful as it possibly could have been," he said.

The union said in a statement: "Whatever dramatic it may have had as a play, a semi-documentary it was not, and lacking in any literary objectivity and in vital matter untruthful by reason."

He said that at no point the play was brought out of a national agreement was violated during a wage freeze, was the reason for the stoppage clarified.

He said: "If it is to be a serious examination of events such as these it should be carried out by an experienced research team and made the subject of drama. It is regretted that the union did not have the opportunity given to others of writing the play in advance."

Mr Meek said: "The film has touched on some very sensitive issues which are exactly what I wanted to show the novices of the industrial relations establishment, both on and management, which this case acted right against the interests of the people, trying all that marvellous vig that had built up."

Everything in the film usually happened, except for one or two incidents that were given to give dramatic effect feelings that were there at the time, even if they were not an expression.

"Even the account of what happened at the employers' meetings is taken from life, even to me by some of the players who were there, and a newspaper reporter who, shown in the play, was dropped on the message."

Mr Meek said of the federation's criticisms: "We feel yours should be allowed to keep up their own minds."

Hotel strike ends: Waiters, porters and chambermaids ended a 48-hour strike at a big London hotel yesterday, but still intend to press for all £2-a-week threshold rise.

Illiteracy warning by Sir Keith Joseph

By our Education Correspondent: A warning that the country is facing a dangerous regression towards substantial illiteracy is given by Sir Keith Joseph, shadow Home Secretary, writing in The Times Educational Supplement published yesterday.

He compares literacy in 1931 with the reports of the National Children's Bureau in 1966 and the National Foundation for Educational Research in 1972 and says they show serious falls in reading ages over the whole ability range.

On truancy, he refers to a report last year of the National Association of Chief Educational Officers, which estimated that there were half a million truants a day, not including children who came in and were signed on the register in the morning and then left. Sir Keith, answering criticisms

of his speech on population two weeks ago, says that the country has been trying to educate everybody, not just the most able and well-to-do, for more than 30 years. But despite that, judging by results, it has regressed at the lowest end of the social scale.

He continues: "I questioned whether this could be attributed to poverty... in light of the fact that wage-earners' real incomes have risen throughout the period, which has also been one of full employment."

He says that most teachers are not radicals but there are a few radicals in the profession who reject professional standards of conduct and fair play and set the tone in some schools. He goes on: "The rot cannot be stopped without questioning many of the new methods which have been found wanting and without reasserting the framework of authority."

Mrs Castle renews attack on population speech

By Hugh Noyes, Parliamentary Correspondent, Westminster: Mrs Castle, Secretary of State for Social Services, yesterday renewed her remorseless pursuit of Sir Keith Joseph over his warnings in a speech in Birmingham last month about a threat "to our human stock."

As a result of the high proportion of births to single-parent teenage households. Opening the fourth day's debate on the Queen's speech in the Commons, she referred to multiple errors in what Sir Keith had said and challenged him to have the courage to admit that he was wrong. He had been deliberately propagating the lie that socialism was synonymous with permissiveness. His class slip is showing," she added.

If that was to be the level at which the Tories expected to restore their shattered fortunes, she hoped they would at least have the decency to drop his statements, saying she was not in Birmingham last month about a threat "to our human stock."

Sir Keith was not in the Commons to hear his arguments denounced but from the Tory front bench, Sir Geoffrey Howe, QC, said that Sir Keith was well able to defend himself and he rejected Mrs Castle's definition of the purpose of the Conservative party. The tragedy of socialism was that although it was well intentioned all too often it was divisive and based on envy, he added.

Parliamentary report, page 5



Dolls secured: An appeal for £16,000 by the Victoria and Albert Museum to buy Lord and Lady Clapham, two seventeenth-century dolls (above), has succeeded, and they will be on show from next week.

Judge and M62 case 'confession'

The jury in the M62 coach trial at Wakefield Crown Court, West Yorkshire, were told by Mr Justice Waller yesterday to look at two statements alleged to have been made by Judith Ward which he announced to a complete confession.

He said: "There, on these two days, were two statements involving nobody else, no other person by name, but two statements which amounted to a complete confession of her involvement in the three matters of causing explosions.

"She says now that what she said was not true and that it was done to get the police off her back." He told the jury they were entitled to consider whether there was any possible reason for making the statements other than to tell the truth to ease "the weight of conscience."

He continued: "When people make very serious admissions you have to ask yourself, are they likely to do it if they are not true. She had made very serious admissions, namely that she put a bomb on the bus, but she did not waste very much time in sending for the police to retract and say, 'Well, I did not do that, I only carried it.'"

Ward's case, in a nutshell, as put by Mr Andrew Rankin, QC, for the defence, was that she was a pathological liar and, once they had found she was telling lies about one thing, they could not tell what was true or false.

The case was also that, although there had been four occasions in six or eight months when something resembling traces of nitroglycerine had been found either on Miss Ward or on her belongings, "this is the most appalling series of coincidences."

The judge indicated that he would end his summing-up on Monday morning and then ask the jury to retire.

Postal and Weekend Shopping

ALSO ON PAGE 22

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WEST EUROPE/OVERSEAS

Italians assured of Army loyalty after general's arrest on charge of plotting coup d'etat

From Patricia Clough Rome, Nov 1 Italian authorities hastened today to lay emphasis on the loyalty of the Army as a whole after the arrest last night of General Vito Miceli, accused of plotting a military coup.

The Government and some political parties—including the Communists—are launching publicity campaigns aimed at showing the Army as the friend of the public.

General Miceli was arrested on orders of a Padua magistrate investigating conspiracy and terrorism conspiracies. The arrest warrant left no doubt that the magistrate, Dr Giovanni Tamburino, believed that General Miceli not only protected the alleged conspirators—as hitherto suspected—but actively participated in a plot.

The warrant accused him of "having promoted, constituted and organized, together with other persons, a secret association of military personnel and civilians aimed at instigating an armed uprising and as a consequence of the same, illegal changes in the constitution of the state and the form of government."

The plot, it said, was to be led by the association and the armed forces with the help of a network of armed groups in the Veneto, Liguria and Tuscany which were financed "to foment disorders, commit outrages and use intimidation and violence."

The general was also accused of forming otherwise unidentified "support groups" and of setting up his own intelligence service and preparing "parallel military and civilian hierarchies" apparently to take over after the alleged coup.

He was arrested by two carabinieri officers in the Rome law courts—and not in Padua as earlier reported—after a long interrogation by Rome magistrates. He was put in a carabinieri car to be driven to Padua but on the way the car collapsed and was taken back to Rome.

He is now guarded by two carabinieri in a single room in the Rome military hospital where he is described as being

in a state of "psychoemotive reactive shock". General Miceli had foreseen Sicilian railway worker's son his own arrest and prepared a statement which was published soon after he was apprehended. He declared himself innocent and the victim of an "uncredible political and judicial machinery", and he asked the public to take his own fate as an example of how "anybody in our country can now be thrown into jail without knowing why".

General Miceli, aged 58, who made a brilliant career in the crack Bersaglieri regiment, is the highest ranking officer to be arrested in Italy since the war.

Although a former Air Force chief of staff is under investigation in connexion with the alleged conspiracies and several other officers, including a retired general, have been charged or are under suspicion, great pains are being taken by press and politicians to stress their faith in the loyalty of the armed forces as a whole.

"The country is certain that the armed forces and the organs of the state are loyal and that the defection of a very few does not diminish the honour of the Army", the Corriere della Sera said. However, the country was not certain that political responsibility would now be

established and "the lack of this certainty is a danger," the newspaper added. Amid the spreading coup psychosis created throughout Italy by the arrests, plot reports and the growing impression that the politicians are incapable of producing a viable government, the Defence Ministry is making efforts to improve the image of the armed forces and create warmer relations with the public.

This effort is centred on Armed Forces Day, near Monday, a public holiday which is usually an occasion for parades, and laudatory messages from the President and Government. This time, according to a Defence Ministry communiqué there will be a publicity campaign to create a climate of "harmony, solidarity and non-violence". It will be aimed particularly at youth.

The ministry has prepared posters showing a girl giving a weary soldier a glass of water during the 1914-18 war, and others depicting young people mingling with soldiers with the words "The young have built it [the Army]. The young will defend it".

Barracks, airports, warships and military museums, will be thrown open to the public for the occasion.

Even more striking, however, are posters in the streets by the Communist Party emphasizing the need for solidarity between the public and the Army which, it says, was founded on the wartime resistance movement.

Heretofore the left wing has been traditionally cool, if not hostile, to the police and armed forces, often regarded as instruments of repression. A considerable section of the current left wing, however, is more conservative, the sentiment tends to be mutual.

In recent times, however, some left-wingers have argued that a wiser policy would be to reform the out-dated, authoritarian military system under which the obligatory national service can be a humiliating and depressing experience, and bring the armed forces into closer touch with the modern life and the general public.



General Miceli: Railway worker's son with a criminal record in the Bersaglieri.

New doors opened by Schmidt trip to Russia

From Dan van der Vat Bonn, Nov 1

Herr Schmidt, the West German Chancellor, is to brief leaders of all parliamentary parties and the West Berlin Government on Monday about the outcome of his visit to the Soviet Union which ended last night.

The Bonn Government has good reason to be satisfied with the way the talks went. The results do not amount to a breakthrough in relations, but new doors have been opened.

The Russians were clearly worried that Herr Schmidt, with his preference for things Western in foreign policy, might be prepared to let the Ostpolitik, the great achievement of his predecessor, Herr Brandt, stagnate.

The Chancellor's preferences remain unchanged, but the Soviet leaders must now be satisfied that the West Germans are as serious as the Russians about developing relations and the foundations so painfully built over the past five years.

Herr Schmidt also seems to have got across to Mr Brezhnev and his senior colleagues that he regards the horrors perpetrated by the Nazis as a closed file for which, thanks to Herr Brandt, there is no further need to apologize.

When Mr Brezhnev expressed concern over the presence of "revanchists" in prominent positions in the Federal Government, Herr Schmidt mentioned Herr Franz-Josef Strauss, the Bavarian opposition leader. Herr Schmidt reacted sharply. Herr Strauss was no friend of his, he said, but he was no revanchist.

EEC socialists to draw up common policy

The Hague, Nov 1—Socialist leaders from all the European Community Countries apart from Britain agreed here today that their parties should have a joint programme as soon as possible.

The common policy manifesto, which would be binding on all the parties involved, was seen as the first step towards the formation of a single EEC socialist party.

This was the main point to emerge from the first summit meeting of EEC socialist leaders, which the British Labour Party decided to boycott, conference sources said.

Labour decision, unanimously rejected by delegates attending the meeting, was based on party policy to stay away from meetings connected with the Community at least until the re-negotiation of British entry terms has been concluded.

Brezhnev desire to judge US leader's calibre

From Edmund Stevens Moscow, Nov 1

Plans proceed for the meeting between President Ford and Mr Brezhnev, the Soviet party leader, on November 23 and 24. An advance party from the American Embassy in Moscow is to leave for the East next week to inspect the location with a view to logistics and communications arrangements.

The announcement that the summit will be held in the Vladivostok area is construed as meaning it will not be in the city itself, which has been closed to foreigners ever since it became the Soviet Union's main Pacific naval base.

Presumably the presidential party will be driven or flown by helicopter from the city air port to a bay-side resort some 50 miles away, where villas, guest houses and a sanatorium will serve as accommodation.

The Russian move for an early summit arose from Mr Brezhnev's strong personal wish to meet President Ford

face to face and judge for himself what manner of man he is, and whether he is as fully committed to détente with the Soviet Union as was Mr Nixon. He and other Soviet leaders, accordingly, have been bothered by a lingering suspicion that Mr Nixon's downfall was engineered by the foes of détente.

Mr Brezhnev is also still smarting over the success of Senator Javits, the leading Congressional campaigner for an end to Soviet emigration restrictions. On October 18, he announced an agreement effectively providing for freedom of emigration from the Soviet Union as a reward for American trade concessions.

Paradoxically, applications for permission to emigrate, far from rising in the wake of the Jackson announcement, tapered off to what looks like 1,500 a month compared to a peak of 4,000 this time two years ago, according to reliable sources.

Banning order extended

From Michael Knipe Cape Town, Nov 1

A South African Asian suffering from one of the severest forms of leprosy has had his banning order extended for a further two years.

Mr A. K. M. Docrat, aged 59, a bookbinder, was first put under house arrest, without trial, in 1964. Five years later the house arrest restrictions were extended for a further five years and intensified.

The second five-year banning order has just expired but Mr Kruger, the South African

Minister of Justice, has extended it for a further two years. As with most of the several hundred banned people in South Africa, obscurity surrounds the reasons for the restriction. Mr Docrat was once a member of the anti-apartheid Natal Indian Congress but he was never a conspicuous political personality.

Among Asian leaders in South Africa who have criticized the Government or system under Mr Docrat's banning order is Dr M. E. Naidoo, who was a member of South Africa's first mixed race delegation at this year's United Nations General Assembly.

adventure, that had been the hallmark of the British people. If young men and women in Britain were denied the necessary scope, and their spirit soured, crabbed and confined, where lay their future?

Sir Christopher answered his own question: "We cannot—if we take thought for the quality of our society in the future—afford heedlessly to deprive them of the wider European base from which to strive to realize the generous ambition and the dreams which it is their right to have."

"A dialogue is in progress between the British Government and its partners in the Community which is commonly known on this side of the channel as a 're-negotiation'. This is the work for politicians and diplomats and particularly for the heads of Government who have both the highest authority and the highest responsibility in decisions of such great moment."



General Alexander Haig, the former chief of White House staff, arriving in Stuttgart yesterday to take command of United States forces in Europe from General Andrew Goodpaster.

Mr Papadopoulos to face treason prosecution

From Mario Modiano Athens, Nov 1

The Athens council of appeal judges today ordered the prosecution of former President Papadopoulos and 48 junta associates on charges of high treason for organizing and carrying out the military coup of April 21, 1967.

The council meeting behind closed doors, which brought together all the 88 Athens appeal court judges for the first time in judicial annals, instructed the director of prosecutions to initiate penal proceedings. It appointed Judge George Voldis to act as the magistrate and conduct a judicial inquiry. The penalty for high treason in Greece is between five years and life imprisonment.

Today's action was prompted by a lawsuit submitted by Mr Alexandros Lykourazos, an Athens lawyer and politician, against the junta leaders for "conspiring and overthrowing by force the constitutional order by a military coup against the lawful Government of the country."

The action was subsequently sponsored by the Union of Democratic Lawyers and expanded to include—besides the 13 in the junta—36 Army-officers, most of them on active service, who carried out arrests on the night of the coup or moved military units in its support.

Mr Papadopoulos, General Demetrios Ioannidis, the former dictator, and at least 28 other people already have been charged as moral instigators in

President Thieu fights for his political life

Saigon, Nov 1—President Thieu today pleaded for his political life and promised to fight Government corruption, but a leader of the coup that ousted President Diem in 1963 said South Vietnam needs new leaders.

Faced with the worst anti-Government demonstrations in his eight years as president, General Thieu tried to calm his Roman Catholic, Buddhist and Press critics, and offered to ease restrictive press laws and a ban on opposition parties.

But on the eleventh anniversary of the overthrow of President Diem, one of the leaders of the coup, General Duong Van "Big Minh" did everything but call for President Thieu's resignation. A completely new task which requires a new set of leaders, enjoying the backing of the people, sincerely desiring conciliation and having a capacity for creating the future," he said.

He also appealed to the Council of State, the country's supreme administrative tribunal, against the ministerial order banishing Mr Papadopoulos to the Aegean island of Kos, together with four of his main junta partners.

The appeal invoked the same arguments as those put forward by the junta's political prisoners to quash exile orders: that the action was not supported by valid evidence that the former President was dangerous to public order.

From Patrick Brogan Washington, Nov 1 President Ford will conclude his campaign for the congressional elections this evening. He has visited 19 states, made speeches and supported dozens of Republican candidates, and has urged everyone who will listen to vote Republican, fight inflation and save the two-party system.

As the President tells it, these three objectives are really synonymous. He accuses the Democrats of being the big spenders and therefore responsible for the inflation.

What voters should do, therefore, he told an audience in Los Angeles, was to take their latest grocery bill to the polls with them next Tuesday. Then they should cast their ballot for candidates who will fight the hardest against inflation.

Mr Ford has probably no illusions of the efficacy of his campaign.

The Republicans are labouring under the intolerable weight

Three Britons hurt in Oman

Salah, Oman, Nov 1—Three Britons were injured when an Oman Air Force helicopter carrying nine people crashed near here on Wednesday.

Mr Ronald Payne, a correspondent for The Sunday Telegraph, Mr George Reid-Anderson, public relations officer for the Oman Defence Ministry, and a British captain with the Sultanate's forces, were flown to Cyprus for treatment.

Concorde avoids light aircraft

A Concorde supersonic airliner took evasive action to avoid a light aircraft during a take-off seven days ago in South America, it was confirmed in London yesterday.

A light aircraft was carrying photographers filming Concorde as it left the airport at Bogota, Colombia. The French pilot of the Concorde made a sharp "S" turn which took the aircraft well clear of trouble.

US milk industry men jailed over election funds

Washington, Nov 1—Two former leaders of the biggest dairy cooperative in the United States were sentenced to jail for making illegal election campaign donations.

This is the first time that prison sentences have been imposed for such an offence since the Watergate trials began.

District Judge George L. Harr Jr sentenced Edward S. Nelson and Mr David L. Parr to three years in jail each but immediately suspended all but four months of the terms. He also fined each \$10,000.

Mr Nelson was general manager of Associated Milk Producers, and Mr Parr was his chief assistant. Both were ousted from power in an internal struggle by the co-operative early in 1972 before the contribution records were exposed.

They had pleaded guilty to making illegal donations to Senator Hubert Humphrey and Mr Wilbur Mills, both leading Democrats, among others.—AP.

Israel troops blow up two houses in Lebanon

From Moshe Brillman Tel Aviv, Nov 1

Israel raiders thrust a mile across the Lebanese border last night and blew up two houses in Baida village. The army said a task force which carried out the action evacuated the inhabitants before the destruction.

The houses had served to shelter terrorists and the inhabitants extended assistance to the terrorists.

The raiders encountered no Arab resistance and returned safely to Israel.

Three Arab guerrillas who infiltrated near Yiftah earlier this week and were killed in an encounter with Israel forces, had been sheltered and received food and water in Baida before their mission.

Israel officers have acknowledged that frontier patrols repeatedly cross the border to police areas in Lebanon believed to harbour terrorists.

Tel Aviv, Nov 1—A deputation from northern Israel towns hit by guerrillas urged Mr Sauvagnargues, the French Foreign Minister, tonight not to support Palestine terrorists.

They made the plea as Mr Sauvagnargues ended the formal part of a three-day official visit and went to the north for an overnight stay with Mr

Allon, the deputy Prime Minister.

Damascus, Nov 1—The Front for Liberation of Palestine said today two of its units had carried out a "special operation" inside Israel since October 11.

Under the codename "Jerusalem Operation", it intended to last until the anniversary of the Balfour Declaration, the Front said.

The statement said the operation was being carried out in the area of the Archib. Hilarion Capucci of Jerusalem and another named after an Ottawa committee member, Omar Qassem, held prisoner in Israel since 1969 after a 1700-mile operation.

The operation came to a halt, particularly after Israel authorities on October 11 discovered tracks of an estimated six to eight Palestinian guerrillas.

"The whole of Galilee therefore put on a state of constant alert", the state said.

It said the Jerusalem Operation had aimed at confirming the collapse of the then Israel internal security.

In brief

Money of Nazi victims shared

Berne, Nov 1—A parliamentary commission today rejected Cabinet advice by voting to give the Swiss Office for Refugees a third of remaining treasure deposited in Swiss banks by victims of Nazi war crimes.

The Cabinet had recommended that a third of remaining 2m francs (£300,000) should go to International Red Cross committees, which is based in Geneva.

The commission, however, said the share should go to the refugees' association as it had helped those who had fled to Switzerland during Second World War.

200 typhoid victims

Stuttgart, Nov 1—A 200 people have caught typhoid fever in a week-old epidemic health authorities here on a potato salad served restaurant in the city Ludwigsbafen.

Abortion rejected

Oslo, Nov 1—The Norwegian Parliament defeated by a proposal for abortions, after 16 hours of debate the proposal by the Labour Party, supported Socialist League, was rejected by 78 votes to 77.

World chess draw

Moscow, Nov 1—Anatoly Karpov and Viktor Korchnoi drew the eighth game in their chess match. After 16 hours of play, Fischer—the world champion—leads 3-0.

Police chief killed

Buenos Aires, Nov 1—An explosion killed the Argentine federal police commissioner his wife today as they boarded a yacht in the port of Tigre.

Journalist loses case

Sydney, Nov 1—Wendy Burchett, a freelance journalist, lost a case against the police of the Australian Clerical Labour Party.

California's politics of arousal

From Fred Emery Oakland, California, Nov 1 A black politician in tones which mock solemnity "in the name of the father, and of the son, and of the Holy Spirit, the Democratic candidate he is introducing breaks in with a laugh. 'And of the new spirit! Hey! Isn't that great for the campaign?'

Whoops and applause. This confidently irreverent son, by almost all predictions, assured of election next week as Governor of California, frequently America's political awakening system.

He is Edmund Brown (son of Jerry to all), 36-year-old son of Edmund, senior, last Governor before Mr Ronald Reagan. The father, as "Pat" Brown, amusingly dispatched Mr Nixon in 1962 and is now kindly remembered as the eight Reagan years' end sourly.

They are ending with bitter taunts as the young Mr Brown scoffs at the "Taj Mahal" he says the Reagans have made of the new governor's mansion. He vows not to live in it if elected. Mr Reagan, standing with President Ford at his side in Los Angeles last night, reports that the old spirit stood America in better stead than any of the "reform" bostrums of the likes of the Browns.

Mr Brown, the son, has more than made good on the family start. He has emerged in his own right as a challenging controversial politician of the type few ever see, perhaps, in Mr Robert Kennedy. Reckoned a very complex person, he is an incurably boyish slip of a man, who looks in need of a good meal.

Yet his unexpected Reagan voice and burning eyes betray an intense drive. A Whiffen, his multifarious enemies; his vision even, say his impassioned supporters.

He has come to the political stage with an immense reservoir of energy. He spent four years as a novice in a Jesuit seminary then graduated in Latin and Greek studies (often quoting the original to his baffled campaign audiences).

Local observers reckon there is not much interest in the election because Mr Flournoy is so far behind and there is no contest. It has been described as a dull affair. But the term hardly fits the sort of rambunctious verbal fistfights Mr Brown has been delivering in his campaign and the excitement and con) he is generating among those who have hitherto been indifferent.

When I witnessed him bargaining a luncheon of about 2,000 in Union Sq San Francisco, and, exulting with black and white supporters in Oakland, there was scarcellectical content.

Mr Brown's supporters where in the campaign candidate has attempted California's massive inco development under central control. The questions of use, energy, transportation, housing—all these dominating issues—Mr Brown promises to "bring people together again" and to "favouritism of the few".

But in off-the-cuff campaigning he believes in persuing his message in "throw the bums out" says of his opponent and Reganites.

As one local observer put it and his friends are taking the old free speech matter from the university at Berkeley and turning it loose within system, all the while putting nice suits on and keeping their hair groomed.

There can be little doubt Brown means to work feverally if he gets the Governor chair and much more will be heard of him as he raises voice on the national level. There is little doubt, too, that he inspires his followers. There is some uneasiness, expressed by those who claim to know him, that while cautioning the limits to government action he is practicing the politics of arousal. He is raising new questions.

Mr Brown insists he is not liberal. And indeed Mr Flournoy catches some of the fervour behind his message as he is practicing the politics of arousal. He is raising new questions.

Mr Brown insists he is not liberal. And indeed Mr Flournoy catches some of the fervour behind his message as he is practicing the politics of arousal. He is raising new questions.

هكذا من الأصل

Peter Fleming's Brazilian Adventure

by Duff Hart-Davis

In 1932 Peter Fleming was 25. After a brilliant academic career at Eton and Oxford (where he got a First in English) he was working as Literary Editor of *The Spectator*; but he was looking for adventure. This is the story of the first of the journeys that made him famous.

In 1932 *The Times* carried nothing so mundane as news on its front page; the paper's face was given entirely to advertisements, and of these by far the most celebrated was the collection of personal wants, offers and *cris de coeur* known as the Agony Column. As Peter often remarked, he made a practice of reading the Agony Column first, greatly preferring its stodgier fare of the editorial pages; and one morning in April his eye was taken by an announcement just far-fetched enough to appeal to him:

Exploring and sporting expedition, under experienced guidance, leaving England June to explore rivers Central Brazil, if possible ascertain how Colonel Fawcett; abundant game, big and small; exceptional fishing; room two more guns; highest references expected and given.—Write Box X, *The Times*, E.C.4.

Within a few days he had signed on; but the advertisement cannot have attracted many suitable answers, for Peter himself at once began searching for a friend to fill the second vacant place—mostly by the simple expedient of going up to people in the street, or wherever he chanced to see them, and saying: "Come to Brazil." It was thus that he enrolled Roger Pettward, a tall, gangling, red-haired artist, with a drawl nearly as pronounced as his own.

Pettward joined as a surveyor—a capacity in which he had already done some work. With him on the strength Peter felt considerably encouraged, for until then he had not been greatly impressed by the team's professional qualifications. The organizer was Robert Churchward, who had (according to Peter) "the most tremendous difficulty in distinguishing between the real and the ideal."

The other members were Norman Skeffington-Smyth (another surveyor), Arthur Humphreys (a mechanic), and two who could lay claim to no title save the general one of "explorer"—Bunt Mackenzie and Neville Priestley. Neville was the only other whom Peter already knew—a third Old Etonian, big, blond and ebullient, who had in fact done more exploring than the rest of them put together; on this occasion he already had plans for collecting animals for zoos from South America, and he travelled out to Brazil on his own. Each member of the expedition except Churchward (whose financial contribution was said to be already "considerable") paid £400 into a central fund; and although Churchward was the official leader, he would, he said, be assisted in Brazil by one Captain J. G. Holman, a British resident of São Paulo with allegedly unsurpassed experience of the interior.

Churchward, though disorganized, was by no means unaware of the value of good publicity, and he approached Robin Barrington-Ward, who was then an assistant editor on *The Times*. As a result Peter was appointed the paper's Special Correspondent (unpaid) covering the British Matto Grosso Expedition—the first of many occasions on which he travelled as a special representative of Printing House Square.

The plan, such as it was, ran as follows: from Rio they would go up-country by road and rail, via São Paulo, to a small town called Leopoldina. There they would embark on the Araguaya, an immense river that flows almost due north for 1,500 miles until it debouches into the delta of the Amazon. Having descended the Araguaya for some 300 miles, they would turn left (south-west) up one of its tributaries, the Rio das Mortes, establish a base-camp on its head-waters, and from there make an overland trek into the area where Fawcett was thought to have disappeared.

Several such areas suggested themselves, for many different accounts of Fawcett's demise had been put forward; but the one they chose was the area pointed by a former officer of the Royal Navy, George Dyott, who had led a well-equipped American search for Fawcett in 1928 and had, he thought, come within a few days' march of the spot on which the colonel, his son Jack and their other young companion had been massacred by Indians.

In the middle of making his preparations Peter signed a contract for a book with Jonathan Cape. Cape, with characteristic caution, offered no advance until such time as the manuscript should be com-

plete; then Peter would get £150, with a further £150 to follow when the book was published.

Peter's preparations were, as he himself said, "grossly unprofessional, to put it mildly", as were those of the rest of the party. All the same, an article by him setting out the expedition's objectives, which *The Times* published on June 7th, gave the whole project a spurious importance, and it was with the highest hopes that he went to Tilbury on June 18th 1932 and embarked on the SS *Andalusia Star*: the start of a venture for which, as he himself later put it, "Baggard might have written the plot and Conrad designed the scenery".

The voyage to Rio bored him, but as they drew close to South America he wrote in high spirits to his friend Rupert Hart-Davis: "This voyage is said by some to be nearing its end. As for me, I have the Royal Geographical Society's patent, air-tight, unbreakable, snake-proof, uncompressible, guaranteed never to swerve in its loyalty to Greenwich by so much as a second-hand's back one hour and fifty minutes into the past. . . . Pettward and I have tried boiling it, dashing it against the bulkhead, kicking it along the deck, holding it up so that it can see the flying fish, putting it in Coventry, dipping it in gin, not dipping it in gin, leading it to a Brazilian political exile, shouting at it, jumping on it from a boat, and praying for it. But it is no good. None of the orthodox remedies seem to work."

They reached Rio at sunset on the evening of July 3rd, to be met by a rush of photographers and their local leader, Captain Holman, whom Peter described as "a tall, thin man of about forty, with a ragged moustache and phenomenally small ears, with 'something of the camel in his gait' and 'short, mouse-coloured hair'." His appearance, he said, was "in no sense attractive."

Their aim was to leave at once for São Paulo, but in this they were frustrated by the customs officers, who argued about the expedition's baggage for six days—a dispute caused largely by the prodigious number of weapons, from sawn-off shotguns to revolvers, that had been considered necessary for survival. (Fortunately their large consignment of tear-gas bombs had been thrown overboard shortly before they reached Rio; otherwise the delay would certainly have been even greater.)

The wait, naturally irked Peter, but it also gave him a chance to observe Captain Holman at close quarters, and he was not much taken with what he saw; for Holman, although good at dealing with the Brazilian bureaucrats, proved disconcertingly evasive when it came to disclosing details of what the expedition was going to do.

It was thus in an atmosphere charged equally with hope and suspicion that the expedition eventually started up-country. At the first stop, in São Paulo, they were joined by Neville Priestley; and he, Peter and Roger Pettward formed a natural trio who clung together ever tighter as the enterprise gradually accelerated towards fiasco and disintegration.

In São Paulo they were overtaken by a revolution, which threw the railways into chaos and halted the expedition for another five days. At last, however, they set out on the night train to Ribeira Preto, and thence they travelled by road, in a series of convulsive spurts and stops, via Uberaba and Goyaz to Leopoldina, the point at which they were to embark on the Araguaya. Their progress was much hampered by revolutionary activities and suspiciously at least once they were assumed, because of the weight of their armament, to be the spearhead of some political force.

At last, after apparently interminable delays, the expedition got moving properly. Two decrepit cars and a lorry were procured, and the party covered the last 130 miles to Leopoldina in a single day of ferocious discomfort. They reached the place as the sun was setting, and as they drove round the final corner came suddenly on the great river—a moment which Peter never forgot:

The Araguaya was there, in front of us and beyond it was a red-tinged sky. The trampled open ground on which the twenty houses of the village stood ended abruptly at the lip of a perpendicular cliff. Beyond that, and forty feet below it, was the river: a river so big, so long expected, and so phenomenal in every way that it seemed hardly possible to have come on it so suddenly. A river fired and bloody in the

sunset; a river that we loved instantly and learnt at last to hate. We gaped at this river. There was exhalation in the air. It ran slowly but strongly, making no sound at all. The trees on the farther bank stood up, a dark plumed horde. We beheld for the first time, and in the most appropriate of circumstances, the frontier of Matto Grosso.

Next morning they ferried all their stores and equipment by canoe across to a *praia*, or sandbank, in the middle of the river, where they slept that night on hammocks. At noon next day, July 30th, accompanied by a half-mad crew seven strong, part Indian and part Brazilian, they set off downstream in a convoy of four boats—two *bataloes* (capacious clinker-built craft some thirty feet long), one smaller clinker-built vessel, and a dug-out canoe.

For three weeks they glided down the Araguaya, establishing a daily routine that became as familiar as if they had known it all their lives.

They slept on the sand of the *praias*, woke before dawn, had a cup of coffee, went off into the jungle to shoot for the pot any bird or small deer that might present itself, and returned at the call of a tin trumpet to breakfast of rice and black beans sprinkled with *farinha*—course flour made from the manioc root, which Peter described as "tasting like a disheartened potato."

After breakfast they packed and pushed off. The crews kept the boats close to the banks, and a good deal of shooting was to be had during every voyage, particularly for the men in the leading boat. Their choice of prey was regrettably catholic: almost every creature they spotted—be it fish, reptile, mammal or bird—drew fire.

At about noon they would stop for a meal of *farinha* and water mixed with *rapadura*, a torrefied product of the sugar cane which was crushed and sold in rectangular blocks. After this sticky snack they went on again, paddling with the current through the afternoon until at about four they began looking for a suitable *praia* on which to spend the night. One found, they landed and pitched their camp in a very arduous undertaking, since all they had to do was to scoop shallow holes in the sand in which to sleep. Then, while the Indians cooked supper, Peter and Roger would take to the jungle in search of game and exercise.

During this stage of the journey Peter and Roger perfected a system of communication that was at the same time both practical and absurd. To other members of the expedition it seemed tremendously novel, but anyone who has realized that it would have been a very useful device in any circumstances, and that it served a similar purpose. Just as in ordinary life he used stock expressions to avoid emotional involvement here in the jungle he resorted to parody in order to preserve some kind of detachment and sense of proportion. "Much of what we saw and did was clearly too good to be true," he wrote afterwards:

In self-defence—in instinctive avoidance of a policy of *admirari* which is the joint product of repression, sophistication and all the hot air one hears—was turned to Parody. If Indians approached us we referred to them as the Oncoming Savages. We never said "Was that a shot?" but always "Was that the well-known bark of a Mauser?" All insects of harmless nature and ridiculous appearance we pointed out to each other as creatures whose slightest glance spelt Death. Any bird larger than a thrush we credited with the ability to "break a man's arm with a single blow of its powerful wing." We spoke of water always as the "Precious Fluid." We referred to ourselves not as eating meals, but as doing "Ample Justice to a Frugal Repast." To anyone who did not think it as funny as we did it must have been an intolerably tiresome kind of joke. But it made us laugh, and thus served its purpose. It became an important feature in that private code of nonsense and bluff which was our defence against hostile circumstance.

Laugh as they might, they became increasingly worried about what was going to happen when they reached the place where the tributary which they had decided to explore, Captain Holman—"bland, irrelevant and enigmatic", as Peter described him—sidestepped all their questions and refused to discuss what he proposed to do.

They found out soon enough. When they reached the Island of Bananal, at the point where the Araguaya is joined by the Tapirapé, Holman came into the open and announced that he had no intention of proceeding up the smaller river.

At once the expedition was divided, Peter, fired by his natural sense of duty and by his obligations to *The Times*, emerged as the leader of the faction in favour of pushing on, which consisted (predictably enough) of himself, Roger and Neville Priestley. The rest were content to follow whatever lead Holman gave them. Tense, sarcastic arguments broke out. Under pressure, Holman agreed to make a quick journey up the Tapirapé, but not to undertake an overland trek. At this an impressive, and by a good enough one—Peter and Roger offered to resign from the expedition and to go and look for Fawcett on their own. This shook Holman badly. He became very angry; and when, next morning, the expedition did start up the Tapirapé, the atmosphere was highly charged.

After one night in the jungle, to Peter's unbounded elation Holman suddenly announced that he himself was turning back; the rest, he said, could go on as they wished, and he would await their return at Bananal. He disappeared downstream with one of the Indians in the smallest canoe. "We," wrote Peter, "went the other way, pressing with difficulty a tendency to break into a waltz-song. From the ashes of our first camp on the Tapirapé a thin plume of smoke rose towards the laced branches, like the most delicate of exclamation marks."

Shorn of its vacillating figure-head, the expedition made (by its own standards) startling progress, reaching São Domingo, the port of the Tapirapé Indians, in five days, instead of the six which it had expected. Their first time the going became really arduous for the Europeans as well as for the Indians. All day they paddled up the twisting river, which became ever shallower and was frequently blocked by fallen tree branches, through which they had to split into two. São Domingo proved to be no more than a series of empty clearings in the jungle on the river bank; Indians, it was clear, had been there recently but the place was deserted. This put the explorers back. Their plan was to split into two parties: one would continue up the river, mapping it as far as they could go; the other, consisting of Peter, Roger, Neville and two Indians, would march across country to a village where they knew they could contact the Tapirapés, and there hire guides for the trek towards the Fawcett country away to the south-west.

The river party left as planned, but the land party had scarcely set out when they met four naked brown figures coming the opposite way—the advance guard of the entire Tapirapé tribe, which was on its way down to the river. Back at São Domingo, the white man distributed presents—necklaces, mirrors, knives, forks, toys, tobacco pipes, brass cartridge-cases and lengths of black-and-red typewriter-ribbon—and after considerable problems of communication secured the services of the tribe's two "captains" as guides for a journey lasting an unspecified number of days to the south-west.

Although he was greatly taken with the Tapirapés as a people, much appreciating their sense of humour, Peter had no great hopes of the two chiefs, who appeared shifty, irresponsible, and (worst of all) entirely ignorant about the country for which they would be heading. Nevertheless, he decided to start next day at dawn.

That night he wrote several letters. In one, to Holman, he, Roger and Neville formally resigned from the expedition. In another, to Barrington-Ward at *The Times*, he explained why the party had broken up, and described his predicament with characteristic understatement. In fact he was neither "fairly well equipped" nor "exceptionally well accompanied"; indeed, these statements were gross exaggerations. He and his two fellow Old Etonians were alone in the middle of one of the biggest countries in the world, and six weeks at least by water from Belem, the nearest point at which they could hope to get help; their capital consisted of £5; they had very little food and practically no equipment; they could scarcely communicate with the natives, and the Indians for whose territory they were aiming were reputed to be hostile.

Yet in all this Peter found cause for elation. The days that followed were days of fierce physical strain, of considerable exploration—the best days, Peter said later, that he had ever known. Off they went—three white men and three Indians—all heavily laden, marching on compass-bearings across the campo, or grassy, tree-studded,

open country away from the river. The first day they covered some 15 miles, but by the evening it was clear that the Indians were lost, and the day ended in a frantic search for water, which they found just before darkness caught them. Peter was not surprised when the two Tapirapé chiefs announced that they would go no farther; but the real blow fell next morning when Neville, trying to pull on his boots, found that his feet were so sore (from some kind of blister poisoning) that he too decided he must give up and return to São Domingo.

This setback pared the British Matto Grosso Expedition down to three men: Peter, Roger and Queiroz, an excellent one-eyed Brazilian with a face "like a malicious heron" who had accompanied them all the way down the Araguaya. Their armament was also sadly depleted, and now consisted of a battered .22 rook rifle held together by molting plaster and string, a .45 service revolver with which none of them could hit anything, and an ancient .44 rifle whose barrel had been ruined by neglect. Their food was practically exhausted.

Yet still Peter refused to give up. For four more days he led his little party on towards the south-west. First they hacked their way through the jungle along the banks of a river which they took to be an uncharted tributary of the Tapirapé; then for two days they waded naked up the river itself. On the last day they took once more to the open campo, occasionally firing patches of scrub so as to leave smoke-columns on which they could take back-bearings. By then they were constantly finding traces of other Indians—Vestiges, as they called them—and often their fires were answered by columns of smoke in the distance ahead. In the day they were baked by the sun, and at night tormented by mosquitoes. Several times they were drenched and battered by elements of thunderstorms—the forerunners, Peter feared, of the rains, which, when they broke, would certainly put an end to their enterprise.

Eventually they agreed that there was no point in going on. Their only hope of achieving

further useful progress lay in making contact with the next tribe of Indians; but the Indians, though not far off, were clearly avoiding them.

"It went against the grain", Peter wrote later, "to turn back on that clear and lovely morning. We were certainly within a hundred miles of the place where Fawcett met his death, and the distance may have been considerably less if he made good progress on those days when the Kalapalos were waiting for him. Provided the rains held off, we could very easily have kept going for two or three days until we ran completely out of food. But we should have had a very bad time of it on the way back, and I hardly think we should have done much good. If one of us had gone lame, or if anything had happened to the .22, it is improbable that we should have got out at all."

The quest was dead; but the journey was far from over. Having returned safely to São Domingo, they discovered that through a misunderstanding all their vital stores—food, blankets, mosquito-nets—which they had left in a cache had been taken on down-river. Peter, who consistently played down any discomforts they suffered, afterwards admitted that by then they were in a bad state:

By day we went naked, for it was very hot and we were always having to jump overboard and drag the boat. But at night we put on all our clothes against the cold and bandaged the rents in them against the mosquitoes. Neither of these precautions was very efficacious; we would have given anything in the world for a couple of blankets and few feet of gauze. . . . We had very little food, and we felt terribly the need for something with fat in it; the rice, of which we had a certain amount, left us bloated but unsatisfied. However, we were lucky with the game, and often their fires were answered by columns of smoke in the distance ahead. In the day they were baked by the sun, and at night tormented by mosquitoes. Several times they were drenched and battered by elements of thunderstorms—the forerunners, Peter feared, of the rains, which, when they broke, would certainly put an end to their enterprise.

Eventually they agreed that there was no point in going on. Their only hope of achieving

expedition finally disintegrated. It was the fact that Holman had seized all his letters that really annoyed Peter, and as Holman drew away in his *bataloa*, taking with him the only two members of the party who remained loyal, Peter waded out to the boat and demanded the return of the correspondence for the last time. Holman refused again, and as Peter wrote later, "there was very nearly an ugly scene. Very nearly, but not quite. That afternoon, however, we discovered that Holman had borrowed our revolvers. The flagship of the expedition dropped downstream, the target of inventive only."

There followed a tremendous race: a marathon over more than a thousand miles of the Araguaya to Belem, on the coast. This Peter and his trunk colleagues eventually won—after a voyage which in itself was another epic of privation and endurance—by no more than a few hours.

Back in London after four months' absence he discharged his obligations to *The Times* by means of two long articles, the first accompanied by a whole page of his photographs; but this was a perfunctory account of what had taken place—non-committal and almost humourless—and gave no hint of the fireworks that he was about to produce.

When Jonathan Cape wrote in the middle of December inquiring about progress with his book, he replied in typically self-deprecating terms: "The book is getting on terribly slowly. I am afraid it is going to turn out to be very palmed stuff; but perhaps it isn't as bad as I think." In fact he must have been working at enormous speed, for he finished a typescript of some 120,000 words in little more than two months.

In writing it he had one great difficulty: that of adequately portraying the foolishness and honesty of Captain Holman. Had he made a direct attack, Holman would surely have sued him for libel or defamation; and yet, if Peter failed to show the man up for the ass that he had proved, he would be unable to explain why the expedition had broken up in the way it did. He solved the problem by a brilliant stroke: he saw Hol-

man, in any case, as a split personality, and instead of portraying him as one person, he showed him as two. The sensible, efficient long-term resident of São Paulo, the organizer whose skill and persistence in the expedition up-country through the chaos of revolution—he described as Captain J. Holman; but the boastful, egotistic and cowardly poseur, whose presence ultimately proved disastrous to the expedition's chances of achieving any success—this man he described as Major George Lewy Pingle—"an American citizen hold—or claiming to hold—a commission in the Peruvian army."

Only once, right at the beginning, when he first introduced Major Pingle, did Peter hint the device which he had adopted. "That is not my name", he wrote. "You regard him as an imaginary character, if you like. He is longer quite real to me." The after he treated him as a person, merely substituting "Major Pingle" for "Holman" whenever the man's behaviour became unwarrantably idiotic. So cunningly did he fashion his story that ninety-nine per cent of a hundred would read without realizing what he had done; but somebody exceptionally observant might notice Holman—supposedly in charge of the whole enterprise—gradually fading from the picture; the expedition approaching the Araguaya, and, once it had embarked on the river, he appears again. The device served its purpose admirably: it scarcely detracted from the immediacy of the narrative and it enabled Cape's solicitor to pass the text for publication.

Brazilian Adventure was published in August, 1933, and greeted by rapturous reviews. "This is the adventure which one always dreams reading and no one else writes," announced *Jag* in the *Daily Express*. "Must enthrall everybody."

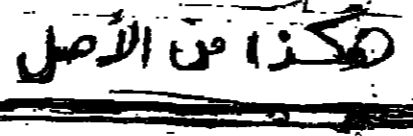
"This is an extraordinary good book," wrote Sir J. Squire in *The Sunday Times*. The *New Statesman* David C. Nett was equally enthusiastic: "Mr Fleming has the most delightful sense of humour and

Continued on page 7



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Clive Barnes/New York Notebook
A tale of two city operas



Drink

Right red

Red wines for Christmas meals should be bought now, both to save time and to allow those with any deposit to rest. They should be immediately enjoyable, with a sufficiently robust style to partner the assorted and assertive flavours of turkey, goose and duck with stuffings and sauces, big joints and possibly game, therefore I would suggest wines with pronounced fruit and sufficient acidity or tannin to counteract too much richness.

If you are a traditionalist, then any 1962 clarets that can still be found will be delicious. Otherwise try the 1967 bigger growths or the smaller-scale 1966s such as the 1966 Ch. Lanessan, Haut Medoc (£3.07 from W. & J. Davies).

The red wines of the Loire offer excellent value and a freshness that is good against fat foods and unctuous sauces. Those of Chinon, Bourgueil and St Nicolas de Bourgueil are widely listed and a 'app of mere value' including of course Champagne. A 1973 Chinon, French-bottled by Lambert, is stocked by Adams of South-wick (£1.23); with its marked crispness it would be excellent with duck, goose or pork.

The solid wines of the Rhone should never be heavy or far and they are now available in a variety from different regions. They please most British drinkers, especially with French food. O. W. Loeb (15 Jermyn St, SW1) who represent Paul Joulet Aine, a noted producer of aristocratic Rhone wines, have a range starting at about £1.50; Crozes Hermitage, Domaine de Thabalter of the outstanding 1972 vintage (£1.82) is profound, must be decanted several hours ahead of time and possesses details of nobility and finesse to please any lover of classic wine. Adams have a very charming 1970 Lirac, Domaine de la Genesriere, domaine-bottled (£1.45) and a more substantial but still 'fit' 1970 Gignondas, Cave des Vignerons, French bottled (£1.68).

Two good 1971s from Chateau-neuf-du-Pape are Clos St Pierre and Chateau Maucou, both domaine-bottled by Quiot and shipped by Lebeque. The Maucou has weight and the St Pierre charm—and you could even serve both together (£26 and £27.50 the case respectively, from Cameron French, 34 Old Brompton Rd, SW7).

From even farther south, there is a 1971 Bando, Domaine Tempier, from Genevieve Wine Co., Caicedonian Road, 4 N1. The proprietor, Lucien Peyraud, who has bottled it himself, believes that this is the finest wine he has ever made—it is profound and velvety, but with subtlety and decanted an hour before you drink it, will astonish and please very much. The grape used is the Mourvedre, the single bottle price £2.02. Two other wines that may be novelties and are certainly bargains are the Hungarian Cabernet, shipped by F. & E. May (£1.19 from Harrods); this is a fine firm wine, with true Cabernet bouquet and character. From South Africa, the KWV Rodeberg is another wine made from the great Cabernet, but totally different, a little earthier and perhaps more open in texture—very good with rich or gamey dishes (£10.26 the case or £5.65 the half case, including delivery, from SAWFA House, 22-23 Great Tower St, EC3.) These good red Cape wines are now much in demand in their homeland, so supplies here are sometimes restricted.

Italian reads are still good buys for family occasions. Two Melini Chianti, both Classico, that I have enjoyed were the Granale, very fruity and with an excellent finish, and La Selvenella, lighter in appearance and very fascinating especially as regards its after-taste. (Both £2.15 from Francis Downman, 56 Tooley Street, SE1.) Then there is a 1964 Cattinara Spanna from Campi Raudii, bottled by the producer, which is more silky, typical of the Nebbiolo grape and well suited to poultry. (£1.50 from Hedges & Butler, 153 Regent Street, W1.)

My own choice for a Christmas red wine, however, would certainly be Beaujolais—a wine to delight eyes and nose, fill the mouth with its crispness and give a little extra oomph for more. The 1973s are beginning to be delicious: John Harvey's Beaujolais Villages 1973 (£1.36) is just this—irresistible—but many merchants will have other 1973s and, at the time of writing, this does not seem to be the sort of year that makes good 'nouveau'. The 1973 Beaujolais and Beaujolais Villages are very flowery and should be drunk fairly soon. The greater acidity in the 1972s is now beginning to make some of the commune wines most attractive: the Morgon (Descombres) 1972 of Marc Dudet is perhaps the finest example of this sometimes austere wine I have seen; his Moulin-Vent 1972 (Charvais) is more delicate but equally distinguished (£1.56 and £1.94 respectively from Corney & Barrow, 109 Old Broad Street, EC2). The 1971 Chénas of Quinson now fully mature is on a larger scale, but fine (£1.84 from French Regional Wine Shippers, 10 St James's Place, SW1). In these, each an individual, are gorgeous Beaujolais which, even for devotees of other classic reds, can be the wine which truly makes glad the heart on Christmas Day.

Whatever your idea of a holiday you'll find it in The Times Personal Columns page 24

Malay Shadow Theatre
Two nights only
Monday 4th & Thursday 7th November at 7.30
COMMONWEALTH INSTITUTE THEATRE
Kensington High Street, W.8 (01-862 3660)
Ticket prices: 50p, £1.00, £1.50

Whatever your idea of a holiday you'll find it in The Times Personal Columns page 24

New York is a musical town. I am not quite sure how well we compare in frenzy of musical activity with London—about jolly, I should have thought, though the BBC summer series may give London the lead—but certainly no other in the world compares with New York's bubble and squeak in sheer number of performances we have slightly more in New York than there is in London. This is because the Metropolitan Opera House, during its season, offers seven or eight performances a week—compared with Covent Garden's one and a half—and the New York City Opera, in a slightly shorter season, offers eight or ten in comparison with the London Coliseum's seven. I have not checked it out, but I am fairly sure that the size of a repertoire is also larger in New York. This is nothing to do with quality—perhaps such a variety is the enemy of quality—but a visitor spending seven days in New York during the right season could be assured of nine different operas. In London during the same period he would perhaps be lucky to find five without repetition.

The Metropolitan Opera House is one of the most abused institutions in the United States. To have more than a few good words to say for it is to demonstrate yourself in New York to be culturally sincere, underprivileged, or, more simply, stupid. But it means, by the peeling skin of tortured teeth, one of the ally great operatic enterprises the world. Yes it does lack something in artistic thrust, and usually its standards—improving of late—can be sloppy. Usual preparation is not ways as thorough as one might hope for, and the rejection of a Stagnone system (one or two operas given with the same cast over a short period of time) adds to too many cast changes, especially in standard operas. The Met is in very serious financial trouble. A key member of its board of directors put me at lunch the other day: The crisis is with us. I am not sure whether it is two minutes before midnight, or two minutes after.

This is perhaps primarily a crisis of funding—the stock market has put private money and the great public foundations in danger. Other factors are also involved. On one simple level the government, which at one time either turned a blind eye or at least a tolerant one, on the earnings of foreign singers, has now apparently become niggerish in its income tax demands. A tough income policy could, in the course of a year or so, make the United States a non-country for most of the star international singers. But it is not just money that is a worry for the Met—there is also the smaller matter of art.

Sir Rudolf Bing—who ruled the Met with an iron elbow for two decades—may have had his limitations, but they are subsiding in retrospect. He was a great fund-raiser. He knew how to work with a board, and more importantly, to get a board to work for him. His artistic judgment was questionable, and he seemed indifferent to conductors and was no infallible judge of a singer. But he tried to make artistic decisions for which he had no real capacity. But he had a good staff and he got things done. His successor should have been Goran Gentele, formerly of the Royal Swedish Opera, who was killed in a motor accident before properly taking up the appointment. His eventual successor was an American whom Gentele had appointed his principal aide, Schuyler G. Chapin. Chapin's two main assistants are James Levine, his inexperienced but very talented principal conductor, and John Dexter, a director of productions who has so far not worked much in opera but has considerable ongoing interests in the London and New York theatrical scene.

Mr Chapin, in contrast to Sir Rudolf perhaps, is an open minded man, and very much liked. There are people around the Met who are expressing grave doubts about his administrative capabilities. He is working in a hard time, and the undeniable fact that such doubts are being expressed are as serious for the Met's future as the uncertain possibility that they might be justified. In the present climate it is more important for Mr Chapin to look good than to be good—even comparative failure can succeed if it looks like inordinate success.

I have talked more about the Met than I mean to. Our musical life has other points of departure. The New York City Opera is a beautiful institution, and its director and chief conductor, Julius Rudel, is a wise and clever man who will perhaps be leading the Met. But perhaps he wants the City Opera—and why not? He is doing a fine job. The temptation is to compare City Opera with the English national opera, but that would be glib and misleading. For one thing, City Opera normally uses original language, and seems to have potentiality at a certain combative position with the Met, by which it is an alternative rather than a complement. That is not good.

Offices and homes



Elsie Hendley, factory worker, West Hampstead; 1974. One of Nancy Hellebrand's photographs from the Londoners at Home exhibition at the National Portrait Gallery.

Standing in a domed hall next to the main entrance of the Victoria and Albert Museum is a structure which from the outside looks like a gigantic grate. But pass through the opening in the side and you find yourself in the former office of Edgar Kaufmann, owner of the Kaufmann Department Store of Pittsburgh. Mr Kaufmann's office has been preserved and given to the V and A by his son because it was designed down to the last detail, by Frank Lloyd Wright.

The Kaufmann office joins the V and A's growing collection of complete interior environments which, besides eventeenth and eighteenth-century rooms, includes the dark chamber designed by William Morris and the recently dismantled lobby of the Strand Palace Hotel. It is the only substantial example of Frank Lloyd Wright's building in Europe, and something quite different from the notion of a house. To enter the room is a very strange sensation. Everything—the walls, the ceiling, the furniture, even the geometric wall mural—is made of the same brown monochrome wood. Light filters in through louvers or from hidden sources, and the only break in the walls is one triangular window or light fitted into the geometric mural. An enormous and curiously constructed slab of desk forms the centre-piece of the room. Two chairs stand on either side of it, and more chairs and stools, upholstered in discreet tones, line the walls. The room seems to exist in a vacuum of its own. In a way it is like a concentrated and exaggerated version of all the big-shot skyscraper offices out of all the Hollywood gangster films.

Although in its exploitation of a single, fately cheap material—cedar plywood—the room is a characteristic tour de force by Wright, in feeling it is the opposite extreme of the idea of the natural house, the organic house, low buildings 'loving the ground' as he said. 'We know that the inter-

penetration of life is the true function of a structure. We know that buildings are made for life, to be lived in and to be lived in happily'. One year before this room he built, also for Edgar Kaufmann, the extraordinary house called Falling Water at Bear Run, consisting of a great cluster of concrete balconies built into the rocks of a waterfall. Nature came into the house and the house went out into nature. The only concession to nature in the Kaufmann office is a single asymmetrically placed potted plant. Perhaps Wright saw the dichotomy and deliberately engineered the office's monochrome gloom.

Rooms, interiors, also play a large part in the exhibition of photographs by the young American Nancy Hellebrand on show at the National Portrait Gallery until the end of this week. Her 45 pictures of Londoners at Home were taken during the last two years, mainly in houses and flats in Hampstead, Kensal Town and Tufnell Park. They make a strong immediate impact because the same artistic device of isolating one of two people against the background of the rooms they live in is used in nearly every photograph. You can almost feel the photographer waiting, shuffling his feet, for the moment when the person's expression or gesture seems to her to marry exactly with their surroundings.

They make a strong immediate impact because the same artistic device of isolating one of two people against the background of the rooms they live in is used in nearly every photograph. You can almost feel the photographer waiting, shuffling his feet, for the moment when the person's expression or gesture seems to her to marry exactly with their surroundings.

WINE by Hugh Johnson
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ENTERTAINMENTS
ALSO ON PAGES 8 AND 9

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ROYAL CONCERT
In the presence of Her Majesty Queen Elizabeth The Queen Mother
TUESDAY, 26th NOVEMBER at 8 p.m.
in aid of Muscular Dystrophy and Allied Charities
ROYAL PHILHARMONIC ORCHESTRA
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SHEILA ARMSTRONG: Soprano SHURA CHERKASSKY: Piano
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1974 FESTIVAL OF CAROLS
SATURDAY, 14 DECEMBER
3.00 p.m. CHILDREN'S CAROL CONCERT
7.30 p.m. CAROLS & CHRISTMAS MUSIC
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Sunday 3 p.m.	ZITTA FINKELSTEIN Israeli pianist Mozart: Piano Concerto No. 23 Chopin: Nocturne Op. 9 No. 3 Debussy: Etudes Op. 10 No. 12 Bartok: Sonata (1926)	Debut: Estampes Brahms: Waltzes Op. 79 Schumann: Fantasy in C. Op. 17 Bartok: Sonata (1926)
Sunday 7.30 p.m.	THE EDIE THOMPSON TRIO TW Enterprises Lizst: Etude Op. 10 No. 5 Chopin: Nocturne Op. 9 No. 3 Debussy: Etudes Op. 10 No. 12	London Jazz Piano Series Second Concert
Monday 7.30 p.m.	NIEL IMMELMAN Piano Mozart: Sonata in B flat, K. 533 Schubert: Prelude and Nocturne for the Left Hand Liszt: Nigun Op. 10 No. 5 Brahms: Sonata in F minor, Op. 5	Mozart: Sonata in B flat, K. 533 Schubert: Prelude and Nocturne for the Left Hand Liszt: Nigun Op. 10 No. 5 Brahms: Sonata in F minor, Op. 5
Tuesday 7.30 p.m.	CHRISTINA BRILLIOTT Piano Chopin: Nocturne Op. 9 No. 3 Debussy: Etudes Op. 10 No. 12 Bartok: Sonata in F minor, Op. 5	Valentin: Sonata in E major Kadaly: Sonata for solo cello, Op. 8 Brahms: Sonata in F minor, Op. 99
Wednesday 7.30 p.m.	BELEGRA PIANO TRIO First visit of this International Trio Helen Jenkins Agency	Haydn: Trio in G Bethoven: Trio in D, Op. 70, No. 1 Mozart: Trio in E flat, K. 542 Sostakovich: Trio, Op. 67
Thursday 7.30 p.m.	RICHARD BURNETT A MOZART PIANO Clarion Concert Agency	Works by C. P. E. Bach, Haydn and Mozart Also Schubert Dances and Liszt: Harmonies, 'Meditation of religious' (played on a lute-like instrument of 1825) By Contract Only
Friday 7.30 p.m.	ELIZABETH RITCHIE Soprano Piano: Fery's piano Young Musicians Series New Era Int. Concerts.	Messini: Canti della lunatare Songs by Purcell, Mozart, Weir, Mahler, Granados, Britten, Ravel
Sat. 7.30 p.m.	MONTAGU CREEVE Piano Kensell VAN BARTHOLD Ibá & Titill	Two visits of Grand and Three pieces by Hummel, Haydn, Field, Mendelssohn, Castaldi, Debussy, Liszt. £1.25, £1.75, 75p, 50p
Sunday 10 Nov. 3 p.m.	JAMES MCHESNEY Chamber Management R022 GR-75	Chopin: Sonata in G minor, Op. 77 Bartok: Sonata in F minor, Op. 10 Schubert: Sonata D. 783, fantasia D. 760
Sunday 10 Nov. 7.30 p.m.	LINDSAY QUARTET Bethoven/Bearak Series Including the complete Bach cycle Ibá & Titill	First visit: 10 November Bethoven: Concerto, Op. 74 'The Hero' Bach: Invention, Op. 9 No. 1 Bethoven: Quartet, Op. 57 'Rasumovsky' Also 17 Nov. 1 & 8 Dec. at 7.30

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ROYAL FESTIVAL HALL

Table listing concert events at the Royal Festival Hall, including London Bach Society, New Philharmonia, Orchestra Sinfonica Brasileira, Organ Recital, Royal Philharmonic Society, BBC Symphony Orchestra, Bach Choir, This is Scotland, London Symbony, Don Quixote, London Symbony, Charles Benbow, BBC Symphony, London Philharmonic, City of Birmingham Symphony, and Purcell Room.

ROYAL FESTIVAL HALL

THE ANGLIO-AUSTRIAN MUSIC SOCIETY AND VICTOR HOCHHAUSER presents SATURDAY 16th NOVEMBER at 8 TONI PRAXMAIR'S TYROLESE SINGERS & DANCERS

Monday, 25 November, 8 p.m. Polyphonia presents ELGAR'S 'CARACTACUS' A concert-drama in six scenes

QUEEN ELIZABETH HALL

Anglo-Austrian Music Society in association with the Austrian Institute presents WEDNESDAY 13 NOVEMBER at 7.45

EDUARD MELKUS ENSEMBLE With LIONEL SALTER (harpichord) VIRTUOSO MUSIC OF THE BAROQUE

FRIDAY, 15 NOVEMBER, at 7.45 p.m. LONDON SINFONETTA Conductor, Gary Bertini

TUESDAY 19 NOVEMBER at 7.45 p.m. VERMEER QUARTET Leader: Samuel Arkush

THURSDAY 21 NOVEMBER at 7.45 WALTER KLIEN BRAHMS: Intermezzi op. 116

THE ANGLIO-AUSTRIAN MUSIC SOCIETY in association with the Austrian Institute presents MONDAY 11 NOVEMBER at 7.30-8p

THE UNIVERSITY OF BIRMINGHAM presents a fully staged and danced performance of Carl Orff's Carmina Burana

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Anthology of a life's work

Canada is a great and virtuous country: its imaginative energy was first disclosed for most of us at Expo 67. That elegant and startling combustion was staged in cosmopolitan Montreal; but Toronto is also a fine city, with its own cheerful identity, a tonic spirit, and a comfortable mixture of old and new architecture.



made since 1970. Moore is clearly hard at work, securely inside that wondrous phase of indefinite duration that we treasure in the later periods of Titian or Rembrandt.

Bryan Robertson

The buzz-saw bard

And in what remains of the play, Miss Goodbody shows the best work she has done since she joined the RSC. Played on an empty floor and up and down the gangways of a three-sided auditorium, the production takes its style from the intimate environment; aiming first of all at rapid, comprehensive narrative and authenticity of character.

A dark void around the heart

British Film Awards, The Jean-Paul Sartre chez Eux. Now, nobody could follow that, and I do not expect them to. But that the new Python would fall so far short of the coverage is something for which I wasn't prepared, and which leaves me with a dark void around the heart this morning.

Who is buying up Britain? BBC1

Leonard Buckley Well, there was Christopher Brasher slipping up a television powder a year ago about the nation's dependence on drugs. And here he was last night giving a whole new meaning to the saying that where there's muck there's brass.

Monty Python BBC 2

Alan Coren The harshest truth about seasonal recurring television comedy shows is that it is not enough for them to be as good as they were. Each time out, they have to get better.

Travel

Exploring the island of Napoleon



Corsica: Tourism could be one of the island's trump cards, but what kind of tourism?

It is possible, I am sure, to visit Ajaccio in Corsica and not call at the house in which Napoleon Bonaparte was born. Being dutiful in such matters, however, I took my first opportunity to do so a few weeks ago, well aware that, as the guide book put it: "The town is still impregnated with his memory."

His birthplace, alas, is impregnated with a kind of moth-ball indifference. How sad and disappointing that cold, dead property is. Displays of 18th century furniture, fading in faded rooms, a few showcases, prints and busts which give little indication of what was to become of the infant born there on August 15, 1769 and certainly no hint of the drama or the sheer adventure of his impact on Europe.

As a child, museums bored me, but I have seen them transformed here in Britain to capture the imagination, and thus the attention, of the young. Think what a little effort could do for a location as important as the birthplace. The Diorama of his battles, soldier models in the varied uniforms of his armies; his rise to power, his exile and return and further exile; the Corsica of his childhood, the Europe of his day. Hand that task to an imaginative museum director—and they are to be found in plenty in Britain if France does not possess them—and the Casa Bonaparte would then become worthy of the man. As it is, it is a shell of boredom, an opportunity missed, an asset ignored.

Enough of hobby horse riding. Let me tell you about Corsica—or, rather, about that part we visited last month, flying into Ajaccio from Paris on an Air France Caravelle having used the Massey Airbus for the London/Paris leg of our air journey.

I had read enough about the island to know that it was going to be entirely different from those other Mediterranean islands I have visited. I knew a little of its history and culture, or at least enough to be aware that, though part of France, it is not "French". Colleagues had told me about the distinct appeal of the scented, maquis-clad landscape, its mountains and its beaches. It was not to time at all. It seemed I was discussing that appeal with a true enthusiast, M Henri Poinsignon who is head of the island's hotel association. He is also owner of the

three-star hotel Marina, which stands in its own grounds on a beach overlooking the bay in which the town of Propriano is situated—south of Ajaccio. A thorough delight, the Marina and the sort of small hotel used by holidaymakers touring the island by car. (A type of holiday I recommend and about which I shall have something more to say in a while.)

The French government has recently published plans to split Corsica into two administrative regions. Although this will double the island's representation in Parliament, the plan is widely opposed by Corsicans who feel that Paris is attempting the age old ploy of "divide and rule". There is a movement for independence, or at least a revitalization of the island, and from what I was told during my visit, Corsica is getting a raw economic deal from the Paris administrators.

Tourism could well be one of Corsica's trump cards and there is certainly plenty of scope for it. But what kind of tourism? This was what M Poinsignon and I discussed in his comfortable hotel lounge until the small hours of the morning.

Slicing through Corsica from Ospedale in the south-east to Piana and Girolata on the north-west coast (and beyond into the sea) is a nature reserve, some 70,000 acres of mountainous scenery. Ideal for hikers and other "away from it all" visitors, it could also be used by riders, and one of M Poinsignon's hopes is to establish and promote horseriding holidays in the area.

Leaving aside the benefits of "fly and drive" concessions as other holiday deals, the Avis unlimited mileage rates on Corsica next summer range from approximately £46 a week for a small Renault 5TL or Simca 1100LS to around £60 a week for the Peugeot 304 or Renault 16. Incidentally, small cars are best for this island, whose roads, though well surfaced, tend to corkscrew through the mountains.

Though we were there for only a few days, and had to concentrate our tour on the south of the island, Corsica lived up to all my expectations. It was grand to see the mountains almost glowing in the late afternoon light and though the weather was as cold as one should expect at that altitude in October, the vegetation made

a brave show and the scents were bold and memorable.

"We get a good number of visitors from Britain," one hotelier told me. "And they are all, how can I put it, of the same sort. They are good visitors." I feel that I know well the "sort" he means. They are those for whom the large and organized holiday resorts have

no appeal. Those who are prepared to strike off alone. We met some, late in the season though it was, on our way from Olmeto to Ajaccio. An English couple who were finding costs higher than expected—though they confessed they were last on Corsica in 1959—but who clearly regarded it as a sort of last

bastion and retreat in face of the tourist tide that has washed the pleasure shores of the Mediterranean.

Nobody pretends that Corsica is inexpensive, though there are ample alternatives to the luxury hotels, and more should be provided. It is an island that requires mobility and rewards exploration, which is why I

would suggest a motor touring holiday, or an arrangement which had one staying in two or perhaps three places and included the use of a hire car.

Corsica has special representation at the French Government Tourist Office at 178 Piccadilly, London W1V 0AL. From there you may obtain information about the island

and the holiday con offering arrangements summer. Any competent agent will be able to details of those arrangements as well as fly and drive through Air France, Brit ways, Hertz and Avis. John C

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Gardening
Lovely weather for trees

The weather, while it may not have suited us this autumn, was certainly just right for our autumn colouring trees and shrubs. Never before have my specimens of Cotoneaster horizontalis turned such a flaming scarlet, nor has our young tree of Prunus subhirtella autumnalis ever taken on such bright orange red leaves.

Some of the self-sown prostrate cotoneasters are growing by chance next to large plants of cotton lavender, Santolina chamaecyparissus, which we have long known as S. incana. The silvery foliage of the santolina, and the scarlet of the cotoneaster form a splendid combination.

By the way, do not cut down santolinas until the spring. They need a hard pruning every year to keep them shapely. Acers of many species and varieties have been particularly brilliant this year, especially A japonicum and its varieties. The rowans, forms of Sorbus, such as Embley, with rich red leaves and orange red fruits, are also outstanding.

When gales bring down leaves fast it is particularly necessary to check any danger points—gutters that may become choked, drain covers that may become covered with leaves and cause flooding. We have one such drain outside our dining room door, and it takes only about half a dozen sycamore leaves to cover it. Twice we have had an inch or so of water in the dining room because a storm washed leaves over the grille and torrential downpours could not soak away.

Two books on the same subject have just appeared. One is a new edition of Window Box Gardening by Xenia Field (Blandford Press, £1.75). The other is Window Box and Container Gardening by Judith Berrisford (Faber & Faber, £3.85). Both books cover the subject more than adequately, and list a vast number of plants that can be grown in containers.

One tends to think of window boxes and containers in the towns and cities, but of course they are used in many places, in town and country, and to a large extent in many countries abroad.

Judith Berrisford and her husband have travelled widely in countries all over the world and have studied small garden design in many of them, notably New Zealand, South Africa, Australia, the United States and Mediterranean countries. The third part of her book is devoted to window boxes and container gardening in warmer climates.

each spring, is a mystery to me. It received a first class certificate from the Royal Horticultural Society as long ago as 1862. It is fairly fast growing, and I have it on our rock garden where it is now about 10 feet high, and will have to be discarded as it is now too large. We will plant another; it is easily propagated by cuttings, and indeed makes an attractive house plant for a year or two until it becomes too big. It has one unfortunate weakness, however; the branches tend to become brown and bare at the base after some years.

The stag's horn sumach, Rhus typhina, has only just begun to turn colour with us. This is a good clear pink single flowered cherry that blooms early, and P Spire. Other fine varieties that have coloured well include P Shazar, a good clear pink single flowered cherry that blooms early, and P Spire.

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Just now we do not have many flowers in the garden for cutting, but my wife has been using the blue spikes of Aconitum wilsonii Kalmiscot variety with the first pink heads of Nerine bowdenii which seems a little late this year, and the silvery papery heads of Anaphalis triplinervia. Very effective they are too. I thought I had removed all the anaphalis plants because they do flop about rather untidily, but I must have missed a clump and it has now been reprinted.

Jobs for November
If November is kind; if it is dry; if the ground which has been waterlogged in many parts of the country dries out a little, we can get on the ground and catch up on the jobs we should have done in October.

A few more powerful gales, while cutting short the brilliance of autumn colour, will at least hasten the leaf fall and let us do the job of clearing up more quickly. Finish planting spring bedding plants and bulbs. Watch for slugs in frames or under cloches, and put down slug bait if their slimy trails are seen.

Examine everything in store frequently. Mice seem to be unusually troublesome this year. If mice fail to take cheese in a trap, try milk chocolate, or one or two monkey nuts, or a melon seed.

Cut back any excessively long new growths of hybrid tea or floribunda roses by half their length to prevent the bushes being rocked about and loosened by gales.

Check stakes and ties of all trees planted in the past two or three years, and renew them if necessary. Take up, clean and store under cover canes and stakes. Put garden furniture under cover; if you have no shed space to spare, wrap the furniture in plastic sheeting, making sure the legs or feet of tables and chairs are not in contact with the wet ground.

Send moving and other machines off for servicing as soon as you have given the lawn its last cut for the season. Tidy up beds or borders of herbaceous plants. Cover less robust plants such as hardy fuchsias with a layer of bracken or straw before severe weather sets in. If you have a sloping path or drive have sand, gravel or salt handy in case of snow or frost. About the end of the month, if birds are troublesome in your neighbourhood, protect the buds of fruit trees, ornamental cherries and forsythias. Either spray with Curt, or spread scarlet nylon "spiders" web material over the branches.

Bridge
Mindgame

There is an element of poker in the bidding of an intelligent player of sets out to make the most of a good hand, and nothing is more irritating than to cut against him with a partner who doubles in a stereotyped fashion. North South game; dealer South

West led the ♠A with confidence, expecting to make two tricks in diamonds and one trick in trumps. Declarer played four rounds of spades and established dummy's long clubs for diamonds of two losing diamonds. The lead of the ♠Q was superior to the ♠A; but after clearing clubs, declarer would have drawn trumps and put West on lead to play from one of his aces.

Even if West had opened the ♠J there was no way in which he could take more than three tricks, with the ♠Q an entry to the clubs. In case West's double appears too elementary, I am giving a deal from a high-stake game in America when the bidding suggested that the declarer had lost control of the hand. The defenders between them presented him with his contract. Game all; dealer South

West led the ♠Q to the ♠A and South played the ♠A and another heart, dummy winning with the ♠7 and East discarding a diamond and a club. A diamond from dummy was taken by East who returned a diamond ruffed by South. Declarer next led a trump taken by West who knocked out the remaining trumps. Throughout the play East was under the impression that South held a four-card spade suit and therefore could not have more than two clubs.

Having thrown his last diamond, East had to find another discard, and, picking his partner with a trick in clubs, he threw a second club in order to preserve his spades. So declarer cashed four clubs and the ♠A for his contract.

Roy Hay

Chess
Across the board

On rereading my last week's piece it strikes me that I was a little hard on Europe. No doubt Europe will survive my aspersions, but, since I class myself as a European let me purge myself of continental treachery by affirming that there are worse, much worse, places for a chessplayer to live in than Europe.

We may be short of oil, sugar and toilet rolls and threatened with such a decline in our standard of living as to render us vulnerable to such illnesses of deprivation as ergotism and dropsy, but, on the whole, we still either play, or see played, the best chess in the world. Here a transatlantic reader might raise his eyebrows and mention Bobby Fischer; but that great player has been totally inactive for the past two years. Invoking his name at this moment seems about as useless as calling upon Zamelet, that evil spirit in Der Freischütz who is feeble enough to merit enshrinement in Private Eye.

Some years ago I was glad to accept election by the World Chess Federation on a sub-committee of three expressly concerned with European chess affairs. Initially the idea was that we, an Austrian, a Czech and an Englishman, were to sort out the various European countries into appropriate groups for their competition in the European Team championship.

But with the progress of time our field of action became enlarged and the last time we met, in Amsterdam, our sessions were scheduled to last two full days. Not that we took all that long. Indeed, under the brisk leadership of that learned Viennese jurist, Dr Dorasz, discussions went so well that I had quite a fair amount of leisure time. Some of this I devoted to a visit to the wonderful Van Gogh exhibition, accompanied by Dr Dorasz.

Next day, leaving my colleagues to check over the final draft of our report to the World Chess Federation, I went to a concert largely devoted to Schubert's piano music. I have the programme in front of me as I write and I see that the interval came between the lovely Sonata in A (D664) and that majestic last Sonata in B Flat. During this interval I chanced to meet another chess-master, Lodovijk Prins. He was bubbling over with enthusiasm for an idea which he wished me to convey to the chess world without delay, if not sooner. The idea was not a new one. It had already been adumbrated by Emanuel Lasker and later taken up with enthusiasm by Heinrich Frankel who writes so entertainingly under the pseudonym of Assiac. It is simply that the games players should be their copyright and that fees should accrue to players from newspapers, magazines and books wherever the games appeared.

Edward Mayer

I discern great practicalities in applying this. It is difficult enough to persuade an editor to publish a game and if you wish to think you, or borrow the of a former Lord Chalk starling bankers. To whom two would the money if a player game entirely as a re following an analysis in magazine or even news I remember Peter Clark winning a game in the Championship against a unusual defence and the ing to me to inform u he had followed exact analysis I had given in on the openings. I suppose if the game were put under the financial co claimed for players by I Prins and Assiac, he won the cash and I the cred which I must retore. alon old Omar, "Ah, take the and let the Credit go."

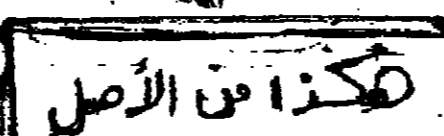
How much, for ex should Bengt Hammar the following game w pleasing finish, which I from the September num Tidskrift for Schack? Hi 17 moves are straight fr book.

White: B. Hammar Bl S. Kjellander Ruy Morphy Defence.

White (Hammar) to pla. A sacrifice that poses insu able problems to Black.

Threatening R.R. w White at once prevents. The surrender of a piec equivalent to resignation; otherwise he has no means preventing the matric the after 25. KR5.

Threatening to win a piece P-B4 and with another subtle winning manoeuvre. Harry Golomb





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A PRELIMINARY SKIRMISH

April it was Chile and Mr. Carr. Now it is Simonstown and Mr. Bean, Mrs Hart and Miss Astor. Once again Mr Wilson constrained to blow the whistle on infringements of the rule of collective responsibility. The rule—it is really a convention—one of convenience. A government will get on better if its members do not dispute with each other in public. If they do, they lose the appearance, and they even throw away the reality, of fundamental like-mindedness, which is necessary to any body men if they are to conduct affairs of state effectively. They so provide irresistible openings for their political opponents, and they sow distrust as colleague suspects colleague of keying for popular or party favour while leaving others to try the can.

The present foul was committed in the National Executive Committee of the Labour Party, which the three ministers named are members. Members of the NEC have their constituency in the party conference whose resolutions and collective interests they are elected to promote. Members of the NEC who are also ministers of the Crown have another and wider constituency as well. It extends through millions of electors who voted for their party to the whole people. They govern not as delegates of the Labour Party conference but as representatives of the nation.

Like much else in the constitution of the Labour Party, this little bit of machinery, which admits to the executive people

with political responsibilities that are not in all important respects congruent with those of the executive, seems specially designed to become over-heated. It ensures that the friction there is bound to be from time to time between the NEC and a Labour Cabinet will be felt within those two bodies as well as between them.

For most of the party's history this built-in abrasive has not been allowed to become more than an irritant. There has been a general disposition to compromise and refrain from taking an heroic stand on polar principles. But now. The sharpness of Mr Wilson's rebuke and the strenuous retorts it has inspired suggest that there is more at stake than three ministers stepping out of line about a naval visit to South Africa. And indeed there is.

We are witnessing preliminary moves, a sort of sizing-up dance round the ring, before battle commences on the issue of authority within the Labour movement. The battleground will be the renegotiation of the terms of entry into the European Economic Community, and then the referendum and after. Nothing can be foretold with certainty about so potentially devastating a conflict, but a probable course of events can be discerned.

Let it be supposed that Mr Callaghan, having scaled down his demands, does not meet a serious obstruction in Brussels; and that a point is reached before the middle of next year

when a majority of the Cabinet is disposed to pronounce the negotiations a success. There follows a referendum. But before that a special Labour Party conference will have been held to pass judgment on the question. The majority there is more likely to be adverse.

The conference may or may not pass a motion purporting to enjoin rejection, or at least neutrality, on the Government. It will be influenced in one direction or the other by the current state of opinion about its authority to do any such thing and about the likelihood of ministers acquiescing if it does. A vigorous assertion at this stage of the collective responsibility owed by ministers and of the Cabinet's autonomous authority might daunt some who would otherwise support such a conference motion. Conversely, a successful demonstration of the doctrine that ministers owe a prior or equal duty of observation to the party conference once it has spoken would encourage the conference to issue fresh instructions.

If the special conference were to carry a motion purporting to instruct the Government, then ministers and Labour MPs would have to decide how to treat it. Again, if at this stage collective ministerial responsibility and the autonomy of the Cabinet had been compromised, it would be more difficult later for the Government to execute its judgment, in the face of the party conference, that continued membership of the European Community is the better course and that the people should be persuaded to agree.

The SNP's election Campaign

From Mr Tam Dalyell, Labour MP for West Lothian

Sir, Geoffrey Smith's perceptive article in *The Times*, October 22, takes a somewhat elevated view of why so many Scots voted SNP, and omits mention of more earthy factors, such as the exploitation of local grievances, and the cumulative effect of pin-pricks on Scottish self-respect by London-based TV celebrities.

As Mr Smith knows, since he spent half-a-day with us on the doorstep of Armadale, West Lothian, I was being held personally responsible by SNP canvassers for every word and look, every choked drain pipe, every manifestation of dampness in the bedroom, and all the inevitable hardships, following large scale modernisation of council houses. Many other Scottish Labour MPs had exactly similar experiences. And, to tell in the words of local government re-organisation, there are far more unattended grievances, and unanswered letters from council officials, than normal.

Secondly, Mr Smith omits any reference to the effect on Scottish political attitudes of the patronising attitudes of some of the English media. Pride of place, in this context, must go to sports TV commentators, who were often insufferable to us, during our World Cup attempt in Germany in June.

Finally, Geoffrey Smith, before beginning to talk about a Scottish dividend, might usefully address himself to this question: "Why is it that the SNP, after getting 9,750 votes in West Lothian in 1962, and over 18,000 in 1966, did not win West Lothian in a situation where Conservative, Liberal and Communist lost their deposits?" The answer is partly that in those areas where, over the years, Scots have been made to think what SNP policy is all about, their support does not rise in the same geometrical progression as in those areas where the SNP have all the attractions of novelty.

Let not Mr Smith forget that over 70 per cent of the Scots who bothered to vote rejected separatism. Yours, etc. TAM DALYELL, Chairman, Scottish Labour Group of MPs, House of Commons, October 22.

Control units in prison

From Mr Roy Bailey and others

Sir, As members of the committee of the National Deviancy Conference, the largest organisation of criminology researchers in this country, we would like to draw your readers' attention to the serious concern among professional sociologists and criminologists about the new prison Control Units set up by the Home Office. The letter from Mr E. D. Wright, the Director General of the Prison Service (October 21), does little to reassure us that such concern is based on "misconceptions". Our two main criticisms remain:

1. The extended system of isolation and deprivation in the new units can be damaging. Troublemakers are segregated for two periods of 90 days in the first of which there is solitary confinement and (a feature Mr Wright does not mention) a return to the first day as a punishment for misbehaviour.

2. The allocation of prisoners to the Control Units is quite contrary to our principles of justice. As the Director General concedes, a prisoner is allocated to the unit for administrative reasons: he has no charge made against him, appears before no hearing, and has no right of appeal. The elaborate "safeguards" which the Director General describes all take place within the prison department without any legal scrutiny.

In our view nothing short of a complete and immediate abolition of the Control Units can deal with concern about the potential abuses of this system. We call on the Home Secretary to make an immediate statement about this issue. ROY BAILEY, Head of Dept of Applied Social Studies, Sheffield Polytechnic. MIKE HEPPWORTH, Lecturer in Sociology, University of Aberdeen. GEOFF PEARSON, Lecturer in Sociology, University College, Cardiff. PAUL WALTON, Senior Lecturer in Sociology, University of Glasgow. STAN COHEN, Professor of Sociology, University of Essex. PETER LEONARD, Professor of Social Work, University of Warwick. IAN TAYLOR, Lecturer in Criminology, University of Sheffield. JOCK YOUNG, Principal Lecturer in Sociology, Middlesex Polytechnic. DAVID DOWNES, Reader in Sociology, London School of Economics. MARY McINTOSH, Research Fellow, Nuffield College, Oxford. LAURIE TAYLOR, Professor of Sociology, University of York, October 25.

Royal Court attendances

From Miss Anne Jenkins

Sir, Mr Robert Morley in his letter of October 21 states that at most of the plays the Royal Court Theatre has in mind to do, you can't find twenty-five patrons a night. The facts are that for the last six months we have been enjoying 83 per cent attendances, and for the last three years 75 per cent attendances and the theatre has four hundred and one seats. Yours faithfully, ANNE JENKINS, General Manager, Royal Court Theatre, Sloane Square, SW1, October 25.

The system of tied cottages

From Mr David Gemmill

Sir, The Government appears determined to abolish the agricultural tied cottage system. This is confirmed in a reply received from the Prime Minister to an inquiry by the Royal Association of British Dairy Farmers, of which I am deputy president, which states "The commitment to abolition in the Labour Party election manifesto is a firm one..."

The tied cottage system is operating in a number of industries including the police, coal mining, British Rail, teaching and local government and it is strange to say the least that agriculture—the industry which will be most severely affected by the abolition—has been selected for this retrograde step.

On dairy farms the vast majority of service houses have been modernized while many thousands of new homes have been built—investing the money in the hands of the farmer—for the highly skilled technicians necessary for the larger herds which have come about as the result of successive governments. Without good accommodation provided free or at a minimal cost, farmers would be unable to obtain the services of the men they require.

There is no doubt that the great majority of farm employees living in service cottages appreciate that any disadvantages are fully outweighed by the advantages. They are free to move from one part of the country to another knowing that housing will invariably be available, indeed when seeking new employment stockmen usually insist that suitable accommodation is available.

The need for employees on dairy farms to be living on or close to the farm is obvious. If the existing system is abandoned there will be widespread tendencies for men to seek positions on farms solely to obtain accommodation. Once installed they will have security of tenure and be in a position to work elsewhere. But what of the farmer? He will have lost his greatest asset

Planting trees for posterity

From Mr A. J. Methuen

Sir, In 1798 Repton supervised the planting at Corsham of 2,700 oaks, 1,550 Spanish chestnuts, 600 elms, 1,450 beeches, 100 sycamores and 1,800 willow-leaved, ilex-leaved and scarlet oaks. The account for Repton for his supervision was £142.10.0.

Of these trees and those planted by Lancelot "Capability" Brown some 30 years earlier, the oaks are the best survivors. Most of the elms have gone, in this past six months, victims of disease. The famous North Avenue, stretching from the house across A4, 4-mile, has been the worst hit. The South Avenue, devastated by a gale in the late 1920s and replanted by the late Field Marshal Lord Methuen, has come off relatively mildly. Among the parkland trees, of which 90 per cent are of the elms have gone this past summer, opening new vistas from the house to the lake, but leaving portions bare, and, where felled, rather like a battlefield.

Of the Spanish chestnuts, there are only a dozen survivors; the beech are present in some numbers, but are at the end of their lives, losing branches in gales or growing extensive crops of fungus.

The format of the Park is still pleasing, but the damage is great. Replanting in conjunction with modern agriculture and present-day vandalism is making the problem of restoration difficult. Just to plant 200 trees of respectable size to fit size is costing around £2,500; and, to fence off the required space, some three to four acres have been withdrawn from the tenant farmers.

Meanwhile the hedgerow timber is going, and this means individual boxes for each tree. The price one receives for elm is no better today than that sold standing 150 years gone up by a very large margin.

If the people want the countryside not to be bare of trees, especially in Wiltshire, Gloucestershire, Berkshire and Worcestershire, they help must be supplied to the owners and grant, to enable posterity to enjoy what we have enjoyed up till 1972 in our countryside. Yours faithfully, A. J. METHUEN, Corsham, Wiltshire.

SOUTH VIETNAM'S MOUNTING DESPAIR

President Thieu's message yesterday on South Vietnam's national day lacked assurance for the present and promised less for the future. The limited war goes on. He did undertake to root out the corruption in the armed forces of which the opposition has complained. He also said that there was no cause to doubt President Ford's continued support for his government, though many of his listeners might detect in this affirmation only a concealed regret that Mr Nixon's unyielding emotional commitment to the South Vietnamese cause was no longer there to be drawn upon, or the opposition to his rule that has sprung up so fiercely in the past three months he had nothing but hostility. The people just disown such agitators whose aim was to disturb the country, abrogate the national ranks and disrupt the fighting spirit of the Armed Forces. Of course, President Thieu added, his own position was unimportant and he would willingly step down but the fact that he was determined to fulfil the mission entrusted to him.

By now that mission has lost all definition. The more intellectual of the Saigon government's critics might catch in the President's anniversary speech

only an echo of Mr Nixon up against the Watergate ropes. The real question is whether the evidence of demonstrations in the past three months shows that the people of South Vietnam have had enough and are now looking for a way of escape from their despair. General Duong Van Minh, the senior military man among the opposition, finds the regime impotent and corrupt and says it has completely lost the confidence of the people. But Saigon has never been a certain barometer of the countryside.

Undoubtedly the resignation of Mr Nixon, coupled with many other signs of the American withdrawal, has undermined the political pulse of Washington in one way of deciding that the United States is much less of a presence at Saigon's side. But that is evidence for the informed few. A stronger immediate impact was felt by last month's withdrawal from the main air bases of two thirds of the American technicians (left since the peace agreement as employees of private American companies). Strict control by Congress over the defence aid budget is not likely to be reversed. And as for the concession of attacking

corruption why, it will be asked, is it being done belatedly now but from weakness?

There are two other reasons for thinking that the malaise in South Vietnam is deep-seated and spreading. The first is the continued economic decline. The unemployed multiply. The living is to be picked on the sidelines has vanished. Little new investment arrives to succour a country plainly far from peace. The financial burden of a vast army becomes ever more onerous. From which follows the question: why is the war still being fought? To what end have casualties on the Saigon side in the past six months been as bad as at any time before?

It is long since victory in any form was a prospect in South Vietnam. Now the only prospect is of defeat—somehow, sometime. No wonder the National Council of Reconciliation, the tripartite body provided for by the Paris peace agreement against which President Thieu turned his face from the beginning, is now becoming a magnet of hope for those who see none elsewhere. If President Thieu will make no move towards a desperately desired peace the cry for it will grow stronger, whatever political risks it may entail.

ARGUING THE CASE FOR DEFENCE CUTS

The Government will have completed its deliberations on the Defence Review by the middle of this month. This can be safely inferred from Mr Short's House of Commons answer on Thursday when he promised a parliamentary statement on the review in the third week of November. How much substance will be included in the statement has not yet been decided. At best it can embody only a series of proposals which will then have to be argued during lengthy consultations with Britain's Nato allies. General Haig, who has just taken over from General Goodpaster as Nato's Supreme Allied Commander in Europe, must feel that he is being brown in at the deep end.

The Government has always calculated that the consultative process will take at least two months. But this estimate is likely to be proved too conservative. For one thing, it will have to involve not only our allies in Nato but also those involved in Seato, Cento and the five Power Defence Arrangements in South-East Asia. For another, the proposed cuts are certain to be so far-reaching as to provoke substantial opposition

from all these countries, however accurately they may have been foreseen.

The proposed cuts should bite deeply into the exposed flanks of the North Atlantic alliance. The most controversial are expected to include a reduction in the Royal Navy's commitment to the defence of the Eastern Atlantic and the reduction or, probably, total abolition of the Royal Marines' involvement in the defence of Nato in the North. In the Mediterranean, a probable withdrawal from Malta should be overshadowed by a considerable reduction, as opposed to total disappearance, of the Cento-declared forces on Cyprus. It is arguable whether the latter might upset the Shah more than the United States.

And these reduced commitments to Nato and neo-Nato allies must be seen against a background of other likely cuts in spending upon the three services, in research and development projects for instance, which could impinge upon the overall effectiveness of the whole.

How many of the Government's proposals will survive the opposition from its allies overseas, is again open to speculation.

Its strategy during the two or three months of negotiation is expected to involve bilateral consultations first with the United States and Germany, after which the less powerful allies should be able to mount little more than token opposition to the review.

At the risk of sounding unduly cynical, there are some who might see in the British proposals a reasonable excuse for effecting a number of reductions on their own account. On the other hand it is the fear that substantial British reductions might have a snowball effect upon the alliance as a whole which will stiffen the resistance in Washington and Bonn. Both the British and German governments are likely to draw heavily upon the EEC in their search for bargaining positions. When Mr Short speaks of "early next year" as the date for the completed Defence Review he is probably thinking of February rather than January, and there are many in the Ministry of Defence who believe he should think most seriously of these changes to be made. In brief, our strategy would be designed to cool down what is potentially the most inflammatory situation that the world faces during the next decade.

Yours sincerely, RONALD WATTS, Maes-yr-eglwys Farm, Pen-y-cae, Swansea, South Wales, October 28.

Change in S Africa

From Mr Ronald Watts

The seeming ease with which power is being transferred from white to black in Portuguese Africa as tended to encourage the idea of a similar transfer in Rhodesia and South Africa. The recent OAU attempt to expel South Africa from the United Nations and demands for immediate withdrawal from South West Africa seem to have sprung from the idea that the white regimes are rapidly lapsing. However, a sudden reversal of policy cannot take place in the case of Rhodesia and South Africa because there is no third force to act as the Lisbon Government has acted in the case of Mozambique. Many years of compromise and step by step advance mainly through the Bantustans are likely to be needed if major bloodshed is to be avoided. Southern Africa is now in a

greater state of flux than it has ever been and it is important that the British Government quickly develop a strategy which will permit us to play a constructive role in the months ahead. Our former policy of verbally condemning South Africa but at the same time continuing to maintain full trade, investment and military links must now be revised. Following recent developments in Mozambique the balance of power has now swung so heavily towards the OAU states that there is a much greater need for Britain to adopt a more neutral and mediatory role. A neutral role in the Southern Africa situation would involve a withdrawal from the Simonstown agreement and a complete ban on the supply of armaments. On the other hand it would be necessary to maintain and even promote normal trade with both sides in the controversy. It would also mean the promotion of either open or behind-

the-scenes contacts between the OAU states and South Africa. This would involve pressure for realistic policies so that, for instance, the OAU would be told that their demand for the immediate withdrawal of South Africa from South West Africa is both unrealistic and likely to lead to a serious breakdown in law and order. While we would press the South African Government to speed up the changes that they now seem prepared to contemplate, we would also press the OAU to allow more time for these changes to be made. In brief, our strategy would be designed to cool down what is potentially the most inflammatory situation that the world faces during the next decade. Yours sincerely, RONALD WATTS, Maes-yr-eglwys Farm, Pen-y-cae, Swansea, South Wales, October 28.

Saving the Criterion

From Mr Ian B. Albery

Sir, There is considerable confusion surrounding the emotional subject of "saving" theatres. Apparently the plan of the Westminster City Council for the prospective development of the Criterion site and, indeed, many other commentators, consider the job is done if the bricks and plaster are safely enshrined in a concrete and steel development.

If the theatrical profession is considered at all it is to be dismissed as a useless commodity which can be disposed with or recalled at will. Such an attitude of mind would only be justified if all theatre companies were subsidized. The financial effect of a temporary closure on an independent theatre is likely to be fatal. The "production line" is lost and thus all sales revenue.

The major cost element, however, is that of staff salaries (41, including part-timers, at the Criterion, many of them having service of 20 years or more, and with skills only related to the theatre), and this is the proverbial millstone, unless of course the management is ruthless and sacks them all.

A theatre can hardly go to the local estate agent and hire another 600-seat playhouse near Piccadilly Circus. Subsidized theatre companies, often receiving 50 per cent or more of their total revenue from the Government, are to a certain extent insulated against the effects of a closure.

To an independent management a period of indefinite closure (the duration of which is determined by the efficiency of the building industry and the good will of the developers) presents a catastrophic cash flow problem and possible bankruptcy. Yet this eventuality, clearly apparent one would have thought even to the planning department of Westminster City Council, is hailed by them as a positive breakthrough in "Saving the Criterion Theatre".

Middle East conflict

From Mr Roger Hardy

Sir, The Rabat conference has underlined what many have suspected: the Middle East have been emphasizing for a long time: that the future of the Palestinians is the central issue of the whole Arab-Israeli conflict. Though shirked off for so long, it can now be avoided only at the real risk of world war.

It is precisely because this central issue is now so clearcut that the dangers of renewed conflict are considerable: Israelis and Palestinians now stand face to face and stare stubbornly the land of Palestine is theirs: this is perhaps the world's last chance to wake up and realize that a fifth Middle East War may easily become a Third World War.

The Middle East conflict is never merely a local problem, though it became all too easy for Western opinion to be lulled into spathy by the apparently relentless succession of hot and bloody wars. As with Ireland, the situation became tedious and predictable. Now perhaps it will be realized—though perhaps too late—that the problems of Arab oil and Arab money are insignificant beside the very real likelihood of large-scale (even nuclear) war between the major powers. The Middle East, so comfortably termed the cradle of civilization, is in real danger of becoming its grave.

World food supplies

From Mr Ian Haig

Sir, I would like to comment on the proposals of the Government to the proposals tabled by the United Kingdom voluntary development agencies for the World Food Conference (Letters, October 30) which call for magnanimous and immediate assistance from the industrial world to the underdeveloped nations in terms of financial and technical aid.

We are very pessimistic about the likelihood of these proposals being implemented if all the industrial nations respond as lethargically as the voluntary agencies is history, in view of the Government's refusal to make any specific commitment on the amount of aid to underdeveloped countries. At present a mere 5 per cent of the aid budget goes directly to agricultural projects which a further 15 per cent going to development projects which improve the rural infrastructure.

The inadequate response to the world food crisis makes a mockery of the statement in Labour's manifesto which said: "We are, more than ever, one world and Labour's foreign policy will be dedicated to the strengthening of international institutions and global co-operation in response to the threat to the peace and prosperity of us all."

Little could threaten the world's peace and prosperity more than the present gross imbalance in world food supplies. Yours faithfully, IAN HAIG, Executive Secretary, World Development Movement, Bedford Chambers, Covent Garden, WC2.

Secrecy of the ballot

From Mr A. E. S. White

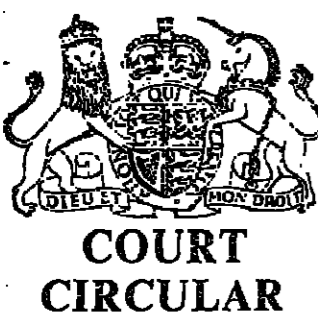
Sir, I have now lived through 16 British General Elections and I do not recall one where someone has not written to complain that the ballot is not secret.

How would Dr Hughes Hallett (October 16) check against bogus ballot papers without the safeguard of the number and mark and does he really think anyone is going to take the trouble to go through 50,000 papers to find his, and if his voting is proper what has he to worry about? It is still a free country and personally I welcome the system which can detect fraudulent misuse of the ballot. Yours faithfully, A. E. S. WHITE, 25 Rickford's Hill, Aylesbury, Buckinghamshire.

Snails and the weather

From Mr R. Baldwin

Sir, I note from your leader today (October 31) on the beef crisis that a hard winter is feared on the evidence of the hibernating precautions currently being taken by snails. May we assume that the Meteorological Office have already empanelled a suitable body of experts from the family Helix Nemoralis, or is it Helix hortensis, to improve the range and accuracy of their long-range weather forecast? Yours faithfully, R. BALDWIN, The Athenaeum, Pall Mall, SW1.



COURT CIRCULAR

BUCKINGHAM PALACE... The Queen, 35 November... The Duke of Edinburgh, as President of the British National Appeal...

YORK HOUSE... The Duchess of Kent, Patron of the Arthritis and Rheumatism Council... Viscount Linley is 13 years old tomorrow

BIRTHDAYS TODAY... Major-General Sir Alan Adair, 77; Sir Kenneth Corley, 66; Sir Alan Drury, 85...

LATEST APPOINTMENTS

LATEST APPOINTMENTS include: To be members of the Meritocracy Board; Mrs Freda Cole, headmistress...

LAW REPORT NOVEMBER 1 1974

Not always a duty to reduce speed

Before Lord Justice Buckley, Lord Justice Browne and Mr Justice MacKenna. A driver in a built-up area is not necessarily negligent if he does not reduce his speed to 30 mph or sound his horn in a residential road...

FORTHCOMING MARRIAGES

Dr A. E. Alcock and Miss M. C. Wedgwood... The engagement is announced between Anthony Evelyn, only son of Commander G. S. A. Alcock...

Dr T. E. Bucknall and Miss C. S. Cleak... The engagement is announced between Timothy Eric, elder son of Mr and Mrs Eric Bucknall...

Mr J. J. Edge and Miss A. P. Dickson... The engagement is announced between Jeremy, son of Mr and Mrs John Edge...

Mr M. R. Hudson and Miss M. A. Tempest... The engagement is announced between Murray Richard, only son of Mr and Mrs G. A. Hudson...

Mr K. N. McKennie and Miss H. M. Smith... The engagement is announced between Neil, youngest son of the late Ian H. McKennie...

Mr J. R. Pettigrew and Miss G. Grierson... The engagement is announced between John Robert, elder son of the late Mr W. J. Pettigrew...

Mr A. W. Rennie and Miss H. W. Newbold... The engagement is announced between Andrew William Rennie, younger son of Mr and Mrs John Rennie...

Mr D. S. R. Scott and Miss J. P. Davidson... The marriage will take place at Christ's Church, Deer Park, Toronto, on November 29, 1974.

Mr J. J. Edge and Miss A. P. Dickson... The engagement is announced between Jeremy, son of Mr and Mrs John Edge...

Pooling Christianity's resources

By the Rt Rev R. P. C. Hanson, University of Manchester. Some people seriously believe that the Ecumenical Movement is simply an example of a number of churches pooling their resources...

Memorial services

Mr James Chadwick... A memorial service was held at Great St Mary's Church, Cambridge, on Saturday, October 19.

Buckingham Palace Luncheon

The Queen and the Duke of Edinburgh held a luncheon party at Buckingham Palace on Thursday. The guests were:

Luncheon

HM Government... The Under-Secretary of State for Foreign Affairs, Mr Geoffrey Howe...

Marriages

Mr M. C. Kind and Miss R. J. Jakes... The marriage took place on October 29, 1974, at St Michael's Church, West Gloucester.

25 years ago

From the Times of Wednesday, November 2, 1949. From Our Special Correspondent Plymouth, Nov. 1.—It was a reunited crew of HMS Amethyst that received the Board of Admiralty's congratulations...

Science report

Neurobiology: Virtues of the sea snail

Psychology has traditionally been the science of the white rat and genetics that of the fruit fly; and yet a group of New York scientists has found the species rearing Aplysia californica in the laboratory...

OBITUARY

BARONESS BUDBERG

Hostess and intellectual leader

Baroness Marie Budberg (née Moura) to an exceptionally large circle of friends and acquaintances all over the world, has died in Italy. For nearly four decades she was in the centre of London's intellectual, artistic and social life...

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£75,000 Premium Bond prizewinner

Table listing names and numbers of premium bond winners, including 'The £75,000 number is 2 AF 948918' and 'The £3,000 number is 10 W 117620'.

Services tomorrow: Twenty-second Sunday after Trinity

Table listing church services for the following week, including St Paul's Cathedral, St James's Church, and various parishes.

Today's engagements

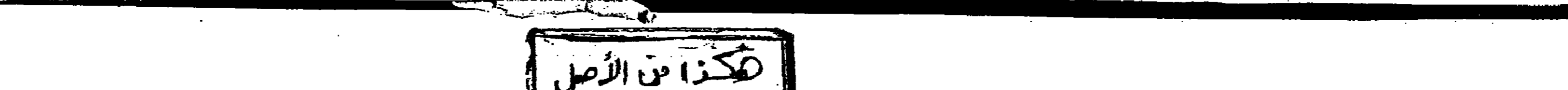
Painting in Focus, Number 2, 'Abbe Scaglia adoring the Virgin and the Child by Van Dyck, National Gallery, 10.6.

Tomorrow

The Maya—their art and culture, Museum of Maryland, 5 Burlington Gardens, 2.30.

Latest wills

Latest estates include (net, before duty paid): further duty may be payable on some estates.



PERSONAL INVESTMENT AND FINANCE

Grouse Assurance and inflation

It is impossible to provide a genuinely inflation-proof assurance policy; quite simply, there is no inflation-proof investment fund into which a life office could invest policyholders' money to produce a guaranteed inflation-proof return.

Bonds Nation Life policyholders left in the cold?

Amid a fanfare of publicity, the Government outlined its plans for the greater protection of insurance company policyholders within hours of the initial reference in the Queen's Speech.

course, somewhat different. The Government is clearly hoping that the industry will mount a private rescue operation.

However, there is as yet no flesh in respect of this section of the Act, and it is doubtful if the funds are receiving any kind of normal on-going investment management.

Bonfire Night: Insurance

Taking cover from Guy Fawkes hazards

Guy Fawkes celebrations usually give the fire brigade their busiest night of the year. And the bonfires which get out of control and the fireworks which set fire to buildings can prove very expensive to insurers.

Bonfire Night: Law

Remember, remember the Firework Code

It was no damp squib that caused chaos on fair day at Millers Park in 1773. One shepherd threw a lighted firework into the market house; he said he intended only to scare the assembled company.



Arson apart, there the main law is at present not to leave the matter of works and bonfires.

Unit trust performance

Table with columns for Unit Trusts, Medium, and Income, showing performance metrics for various funds.

Table with columns for Friars House M, National G Prov, Allied First, etc., showing performance metrics for various unit trusts.

Gold Krugerrands

Why pay more? Coins offer the U.K. investor the only practical means of obtaining a holding in gold and Krugerrands have a particularly high gold content.

Round-up

Table with columns for A and B, listing various financial items and their values.

Taxation

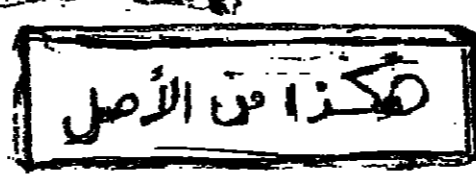
Table with columns for A and B, listing various tax-related items and their values.

A rescue fund Indexed premiums

Insurance topics have dominated the news this week. As widely expected the Government has decided to introduce a compulsory protection scheme for the industry which became operational from Tuesday for companies which position the court for liquidation.

Fixed loan instead of a pre-Budget overdraft

chargeable on March 26 is ignored. In addition the first £35 will be disallowable, just as it was last year.

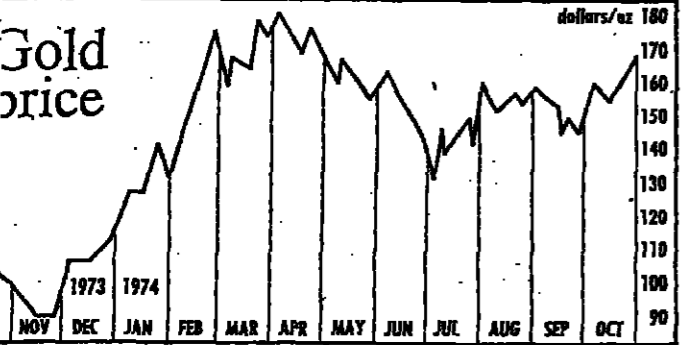


EDITED BY MARGARET STONE

FINANCIAL NEWS

Investor's week
Gilts weak • Gold
Share choice

downturn in the gilt-edged market gathered pace last week... nationalization plans are published and specific terms emerge...



Along with the price of gold, the price of gilts has fallen... The cost position is well illustrated by the comparison of a marginal mine...

Looking at the sector on a safety first basis, then, potential gold investors should concentrate on the high grade, low cost and medium to long life mines.

Invicta loss blamed by Euro Ferries in forecasting decline

By Anthony Rowley
European Ferries, the cross-Channel passenger and freight ferry group, is forecasting pre-tax profits of "not less than £4m" this year compared with £5.07m in the previous nine months...

Payout cut after poor result from Brit Debt

By Tony May
"Very disappointing results have been returned by British Debt Services, and no final dividend is being paid (against 3.75p), leaving shareholders with a payment of 2.08p, against 5.75p."

Stock markets
Uneasy day for shares

The stock market had an uneasy session yesterday, as the City investment community weighed the implications of the miners' dispute...

Glaxo accent on research not to be slackened

Opportunities for progress will continue to be available for Glaxo Holdings in spite of the world-wide uncertainties and the impossibility of predicting the short-term outcome...

Molins pays £8m for US paper machine maker

Molins, the United Kingdom precision engineering group chiefly engaged in producing cigarette making machines, has concluded an £8.6m deal for the takeover of the Langston Division of the Harris Corporation in the United States.

T & C Properties lose almost £600,000

The freeze on business rents, which meant that £275,000 in extra rental income was lost, together with other charges and a reduction from £139m to £310,000 in trading profits...

Turnover went down from £27.8m to £12.21m, and after extraordinary items, a loss of £111,500 was made against a profit of £52,000.

Reorganization at Callender

George M. Callender plans to reorganize his capital by making a four-for-five scrip on its 10p ordinary shares, splitting its 50p preference shares into 10p ordinary and converting them into 10p ordinary shares.

Profits halved at Ulster TV

A year ago Ulster Television was reporting on the effects of higher tax and in the year to July 31 profits before tax were halved from £383,000 to £189,000.

Amal Inv & Prop

Mr Gabriel Harrison, chairman of Amalgamated Investment & Property, tells shareholders that the restoration of Amalgamated House, Trinity Square, London, the group's largest single asset, should be completed early next year.

Industrial & Gen

The first half at Industrial and General Trust has produced gross income amounting to £3.64m, against £2.5m. Pre-tax revenue rose from £2.01m to £2.47m.

Higgins Brewery

With a rise from £1.09m to £1.2m, Higgins Brewery has again achieved a record result in spite of a loss in bank interest of £47,000 to £105,000.

Dean Smith-Monarch

The Yorkshire-based group, Dean Smith & Grace, has been acquired by Monarch Machine Tool of Ohio—a machine tools manufacturer.

Merger cleared

Proposed merger between Armitage Shanks Group and Ladyship Industrial Holdings has not been referred to Monopolies and Mergers Commission.

Atlas Elec & Gen Trust

Atlas Elec & Gen Trust has produced a profit of £1.2m for the half-year to Sept 30, £1.31m (£1.29m). Net asset value of ordinary shares at Sept 30, 26.9p (43.3p six months earlier) had risen to 44.1p (40.5p).

Wall Street

New York, Nov 1.—Cross currents of economic news produced uncertain moves on the New York stock exchange today.

Sugar at highest yet

New York, Nov 1.—WORLD SUGAR prices hit their highest in a row today, with gains of one cent on average.

Hawthorn Leslie's hard year

With turnover down from £2.64m to £2.4m, taxable profits at R & W. Hawthorn Leslie, the engineering and shipbuilding group, have fallen from £565,000 to £566,000.

Wm Reed-St Clements

Latest developments with William Reed & Sons, the Leeds-based man-fibres group, is that a wholly owned offshoot of St Clements Estates with a further purchase of some 163,000 ordinary has increased its stake to 16.93 per cent of the equity.

Weeks Associates

After interest up from £30,000 to £85,000 taxable profits of Weeks Associates fell by £55,000 to £103,000 in the half to July 31.

Foreign exchange

Foreign exchange Sterling, spot 1.52 1/2 (1.52 1/2); Canadian dollar, 1.01 1/2 (1.01 1/2); New York Stock Exchange, 127.50 (127.50); Dow Jones Industrial, 27.50 (27.50).

Need smaller people to live on resources



populated entirely by Little Englanders... able to serve our own resources...

announced No 3, giving additional details of the new military equipment's overall economic... Last week saw the launch of new competition, the Brigas Award for Commerce...

Francis Kinsman

Optimism from Adwest after bright opening

Mr F. V. Waller, chairman and managing director of the Adwest Group, told the annual meeting that the manufacturing companies had started the year well with higher turnover and profits in the first three months.

Bear Brand may seek partner

The present plant of Bear Brand is not sufficient to guarantee a return to reasonable profits and in the present climate of uncertain demand and cash restrictions the board does not feel justified in increasing borrowings for investment in plant.

Retired? Your house could provide you with cash for Christmas.

Christmas can be a difficult time if you're retired. You want to be generous to your family and friends, but prices are rising so fast... A Home Income Plan could be the answer. This enables you to use the current value of your house to give you a regular income for life and, in certain circumstances, a lump sum too.

Form for Julian Gibbs Home Pension Planning Ltd, including fields for Name, Address, Telephone, and Estimated House Value.

FINANCIAL NEWS AND MARKET REPORTS

Issues & Loans

Charterhall rights issue

Charterhall Finance, the oil and mineral exploration and property finance and development group, is raising £500,000 by way of a rights issue.

Eurobond prices (midday indicators)

Table of Eurobond prices for various countries and maturities, including American, British, and German issues.

Commodities

Peak sugar price paid by Hungry

Reports reaching the London SUGAR market suggested that Hungary had paid up to \$1,300 a ton c and f for a cargo of prompt white sugar from a French house.

Money Market Rates

Table of money market rates for various currencies and maturities, including Treasury bills and interbank rates.

Total supplies for the week ending November 1 are estimated by the Ministry of Agriculture at 10,100 tons for staples in the previous week.

Foreign Exchange

The dollar fell back on foreign exchanges yesterday afternoon following the drop in a prime rate to the lowest level since the end of April.

The Times Share Indices

Table of share indices for various countries and sectors, including the FTSE 100 and other major indices.

French francs improved to 4.6850

French francs improved to 4.6850 from 4.6925. Yen weakened to 300.423 to the dollar from a previous London close of 300.00.

Discount Market

London discount houses had little difficulty in tracking down quite sizable pools of liquidity yesterday. Rates ruled at 8 per cent at lunchtime.

Recent Issues

Table of recent issues for various companies, including issue size, price, and interest rate.

Spot Position of Sterling

Table of spot position for sterling against various currencies, including New York, Amsterdam, and Zurich.

Forward Levels

Table of forward levels for sterling against various currencies, including New York, Amsterdam, and Zurich.

Macdonald Martin

The board of Macdonald Martin Distillers predicts that profits this year should exceed £1m for the first time.

Authorized Unit Trusts

Table of authorized unit trusts, including names, managers, and investment objectives.

Bank Base Rates

Table of bank base rates for various banks, including Barclays, HSBC, and Citibank.

Bank of New South Wales

NOTICE IS HEREBY GIVEN that a Final Dividend at the rate of 7.125 per cent per annum Australian currency for the half year ending September 30, 1974, is to be declared by the Board of Directors at the Annual Meeting on January 31, 1975.

Business Notices

OPPORTUNITY TO INVEST in a unique motor property of 25,000 sq ft of working capital of £100,000 required. Best offer or write to Box 2962 D, The Times.

Transfer Books

ELECO HOLDINGS Limited Notice is hereby given that the Ordinary Share Transfer Books of the Company will be closed on the 5th December, 1974.

Legal Notices

NOTICE is hereby given pursuant to a 1974 of the TRUSTEE ACT, 1925 in relation to the estate of a deceased person whose name, address and date of death are set out below.

Oil Field Accountants

FOR OVERSEAS EMPLOYEES: Major oil-well drilling contract company have career employment vacancies for experienced accountants.

Workshop Manager

MECHANICAL FOREMAN & SPARE-PARTS MANAGER for American Chrysler vehicle distributorship.

Public and Educational Appointments

NOTICE is hereby given that a PETITION for the WINDING-UP of the estate of a deceased person is to be presented to the High Court of Justice, Chancery Division.

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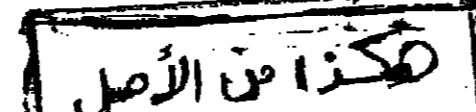
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IF YOU HOLD SHARES

You can exchange them on favourable terms for units in any of 25 Save & Prosper Group funds. For details contact 1 Great St. Helens, London EC2P 3EP, Telephone 01-588 1717

AVE & PROSPER GROUP

Stock Exchange Prices

Gilts remain nervous

COUNT DAYS: Dealings Began Oct 28. Dealings End Nov 8. Contango Day, Nov 11. Settlement Day, Nov 19. Forward bargains are permitted on two previous days.

The changes shown below are compared with Wednesday's prices

For Really Discerning Drinkers HIGH & DRY Really Dry Gin

Table with columns: Stock Name, Price, Change, etc. Includes sections for 'NEW FUNDS' and 'MONWEALTH AND FOREIGN'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'COMMERCIAL AND INDUSTRIAL'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'MINES'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'MONWEALTH AND FOREIGN'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'COMMERCIAL AND INDUSTRIAL'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'MINES'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'LOCAL AUTHORITIES'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'COMMERCIAL AND INDUSTRIAL'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'MINES'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'FOREIGN STOCKS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'COMMERCIAL AND INDUSTRIAL'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'MINES'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'DOLLAR STOCKS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'COMMERCIAL AND INDUSTRIAL'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'MINES'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'ANKS AND DISCOUNTS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'COMMERCIAL AND INDUSTRIAL'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'MINES'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'BEVERAGES AND DISTILLERIES'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'COMMERCIAL AND INDUSTRIAL'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'NEW FUNDS'.

Table with columns: Stock Name, Price, Change, etc. Includes section for 'MINES'.

SHIPPING and MISCELLANEOUS sections at the bottom of the page.

The second and final part of a Special Report to mark the twentieth anniversary of the start of the Algerian revolution

Algeria II

هكذا من الأصل



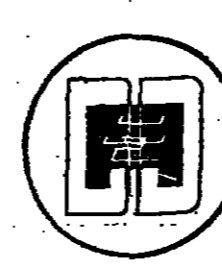
Howing oil income to reap future jobs

avid Blake
 is's economy has been of the success stories of years. Starting with little investment and an total lack of skilled ers and managers after rench left, the Algerians succeeded in getting l growth and the begin- of a modern economic within a very few years. ce the country's first al planning exercise unched in 1967 it has ed in getting growth re of more than 10 per raising the amount it invests from less 20 per cent of its gnp to 40 per cent and has r once-chronic foreign deficit turn into a sur- in the latest plan, which 50 million tons a year, until 1977, investment is ed to reach new peaks have been matched by Japan among the nations of the world in years. By 1980, the ans believe, they will converted themselves being a rather mediocre of agricultural land on the edge of the into a fledgling indus- power able to compete world. is secret of this confi- is oil. Exports of oil ogas, which total more 50 million tons a year, ate the foreign trade geria and provide the helming majority of its n earnings and of the e of its Government. heavy reliance on oil, has grown more ed in the years since. ndence, has become ore noticeable with cent sharp increases in ces, which have drama- increased the amount ountry can expect to from its sales abroad. Algeria is not, and it is not want to be, an oil

state. Its production, and its reserves, mean that in the long term it cannot hope to have riches on the scale of giant producers such as Saudi Arabia or Kuwait. Its large population, which is growing rapidly, means, in any case, that the country will have to find a large continuing supply of jobs for its people in the years ahead.
 Because of this the country's economic policy in the post-independence period has been dominated by a single-minded zeal to get develop- ment under way. "We sow oil so that one day we shall reap factories" is how the Algerians describe their policy, and their ability to persuade a population, which for the most part still has very low living standards, to accept the sacrifices involved is a tribute to their success in persuading ordinary people that the effort, often portrayed as a continuation of the struggle which brought them their freedom, is worth while.
 In order to permit the large-scale investment pro- grammes which have created the country's heavy industrial base, living standards have been held down by a delib- erate policy of austerity. For the 60 per cent of the popu- lation who live on the land, and who between them pro- duce only about 10 per cent of the country's gnp, such a policy enforces itself. But in the cities, where the jobs in the factories and adminis- tration are, it is backed up by strong government measure.
 The maximum income which anyone can earn is set at 2,000 dinars (£220) a month, with the addition of some "perks", such as a car and a house, for the very well-off and special bonuses in the nationalized industries. On this kind of salary it is possible to have enough

spare cash to live a great deal better than a low-paid worker; but none the less the gap between the top and bottom is less than in many countries, and this runs down on the consumption of what the Algerians regard as luxu- ries.
 This restriction further enforced by a ban on the import of some luxuries, which would use up precious foreign exchange, and crippling high import duty and tax on others. These mea- sures have not only reduced the amount of money which people have to spend; they have also convinced many of them that they would be better off keeping their money than spending it, so that Algerian families out of quite low incomes tend to save far more than their British coun- terparts.
 The aim of all this sacrifice has been indus- trialization, and it has proceeded with the kind of tidiness and in the order which is to be expected in a highly planned, centrally controlled economy. In the first stage the Algerians have concentrated on build- ing up their really basic in- dustries which will provide the material which will be transformed at a later date. As well as having a huge in- vestment in iron-ore, they have built steelworks and fertilizer plants and have made a major effort to capitalize on their limited natural resources other than oil.
 This was the fundamental choice of the development plan between 1969 and 1973 and, as the plan has put into effect over the years, the choice was confirmed by large increases in the invest- ment in industries which were made possible by increased revenues from oil. By the end of the plan, industry had re- ceived something like 60 per

cent of all investment com- pared to the 45 per cent originally forecast. The total spending had gone up, too, from the expected 28,000m dinars to just under 37,000m which, even allowing for in-flation, represents a consider- able increase.
 The concentration on in- dustry, and especially heavy industry, which often em- ploys little labour, rather than the traditional strategy of aiming for such things as labour-intensive component manufacture, met with criti- cism from some observers. They pointed out that agri- culture remained the main- stay of most people's lives, and that it was desperately in need of reform; and yet it received only 15 per cent of investment.
 Against this, the Algerians point out that the farm sec- tor employs so many small growers that any kind of change is bound to be a slow job. It is far more difficult than ordering a new steel- works to be built by a foreign contractor who will import large numbers of skilled engineers to produce a plant which can be handed over at the end of construction on a "turnkey" basis.
 Although the country's planners are firmly con- vinced of the correctness of their decisions in the first plan, it is significant that in the plan for the next four years much more attention is given to just those sectors which have proved weakest up till now.
 Agriculture and, even more important, the develop- ment of the country's scarce water resources to benefit agriculture, get high priority. So does the building of more homes, something which has been largely neglected until now and where the cities are feeling the pressure of ter- rible housing shortages.
 The fundamental outline of the past remains the same with investment in in- dustry expected to triple compared with 1969-73, though this time with an in- creasing emphasis on find- ing use for the steel and other raw material that are just beginning to flow out of the plants built during the first stage. Although the outline remains the same there are signs of a slight softening. Private consumption is ex- pected to rise faster than gnp, a recognition that the rise in oil prices means that the country can afford to relax its austerity just a little because the oil price increases mean that the terms of trade have turned, for the moment at least, in its favour.
 Much of this increased consumption will take the form of better social services which, in spite of efforts by the Government, still have a long way to go before they reach an acceptable level. But there are also likely to be increases in the sales of con- sumer goods, some of which, it is hoped, will be produced in Algerian factories, such as the television plant scheduled for Sidi-bel-Abbes.
 Making this kind of adjust- ment to a more advanced economy will put further strain on the nation's re- sources. In some ways it is easier for a country to live in centrally planned austerity than in a more complex economic system. But the change will be a slow one, at least in the initial stages. Severe restrictions on living standards will remain.
 Most Algerians are still sure that this sacrifice is worth making.



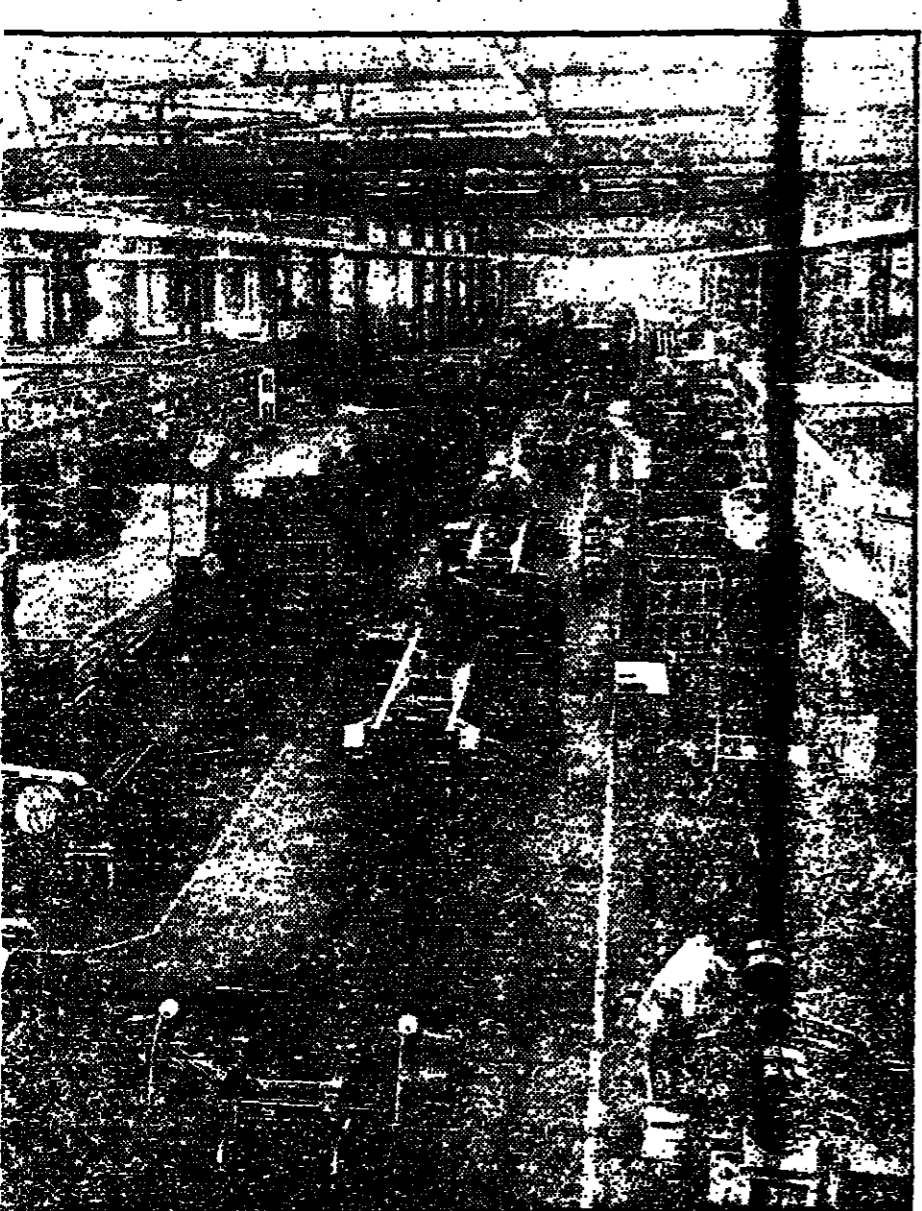
BANQUE ALGERIENNE DE DEVELOPPEMENT
Immeuble "JOLY"
38, Av: Franklin Roosevelt
ALGER

Tél: 60.10.44/46.60.21.70/72
Télex: B.A.D. Alger N° 52.529

The Algerian Development Bank has a capital of 100 million Dinars, thus disposing of substantial stable funds.
 Within the overall context of the country's economic development, the Algerian Development Bank is responsible for:

1. formulating plans for the financing of projects selected by the Four Year Plan, to be implemented by Algerian companies and other public bodies;
2. distributing long term credit to invest- ment projects in every sector of the economy except building of houses and farming, which are financed by other banks;
3. participating in the mobilisation of medium term credit;
4. working closely with Algerian companies and public bodies;
5. maintaining a Secretariat for C.N.I. (National Investment Commission), thus

effectively contributing towards the pro- motion of wide-scale private investment in furtherance of the country's general economic policy.
 The Algerian Development Bank is the instru- ment of financial and economic cooperation with Arab and African states and financial institutions.
 It maintains close contact with Arab financial institutions with a view to obtaining their support for development projects in Algeria. It consults with these institutions on possible joint intervention as part of plans for cooperation with other states, especially in Africa.
 It is closely linked with institutions in African states and helps to finance development and social projects.
 The Algerian Development Bank is also a partner of international financial institutions.



"SOGEDIA"

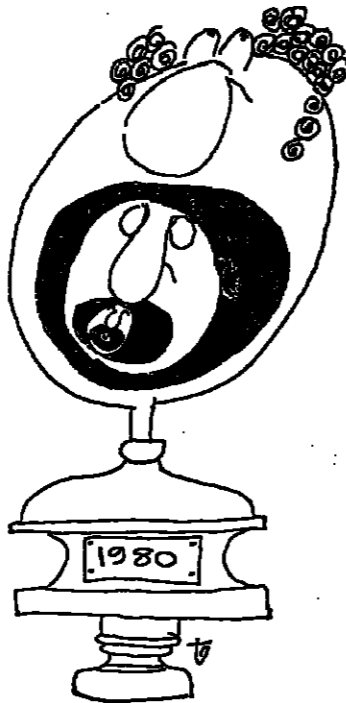
EIGHTEEN MILLION CUSTOMERS TO PLEASE BY 1980

By 1980,

"SOGEDIA"

will be meeting the needs of a population of 18,000,000, with high standards and high purchasing power.

It will be supplying them with sugar refined oil margarine and vegetable fats soap products fruit and vegetable juice and preserves brandy



"SOGEDIA"

To satisfy these needs, "SOGEDIA" has set itself the following goals:

- improve the quality and diversify the range of its products
- establish an efficient, rational internal and external distribution network

"SOGEDIA"

has an investment programme of 647,054,000 Dinars, which will be used to:

- set up 15 new factories
- expand existing plant
- organize training and refresher courses for executive staff
- conduct research and development work

"SOGEDIA"

Today "SOGEDIA" operates 21 modern factories, each with its own laboratory linked with a central laboratory testing products to international standards. Its turnover is 398 million Dinars and it employs more than 5,000.

"SOGEDIA'S"

In 1973, direct exports amounted to a value of 18.4 million Dinars.

EN 1980

NOUS AURONS

18 MILLIONS

DE CONSOMMATEURS

EXIGEANTS

"SOGEDIA"

devra répondre aux besoins d'une population de 18.000.000 d'habitants très exigeants et disposant d'un pouvoir d'achat élevé.

Elle devra les approvisionner en:

- Sucre
- Huiles raffinées
- Margarines et graisses végétale
- Savons et savonnets
- Jus et conserves de fruits et légumes
- Eaux de vie

Pour cela, elle s'est fixé des objectifs:

- Améliorer la qualité et diversifier le gamme des produits
- Créer un réseau de distribution intérieure et extérieure efficace et fonctionnel

Un programme d'investissement de l'ordre de 647.054.000 DA qui se traduit notamment par:

- La création de 15 nouvelles usines
- L'extension des unités existantes
- La formation et la recyclage des cadres
- Des études et recherche de réalisations.

Aujourd'hui la "SOGEDIA" gère 21 usines modernes disposant chacune d'un laboratoire, lequel est relié à un laboratoire central qui contrôle les produits suivants les normes internationales. Elle réalise un chiffre d'affaire de 398 millions de DA, et emploie plus de 5.000 personnes.

Elle a exporté directement, en 1973, l'équivalent de 18.4 Millions de DA.



SOGEDIA
SOCIÉTÉ DE GESTION ET DE DÉVELOPPEMENT
DES INDUSTRIES ALIMENTAIRES



The port of Oran, second city of Algeria and a vital international port to which pipelines bring crude oil and natural gas from the desert. Built by the French, it is now a rich commercial city.

Increasing foreign investment in rapidly growing economy

by Alan Rake
editor, African
Development

Even before the oil boom Algeria was one of Africa's most rapidly growing economies. The gross domestic product increased by 11.1 per cent last year and at about 10 per cent over the period of the four-year plan. But since then has come the oil price explosion. Algeria still depends for 85 per cent of its exports on oil and gas. With these prices tripled, it can look forward to a period of remarkable expansion.

Algeria is a country where development plans really have significance. The whole socialist economy is carefully meshed into the planning system. The last four-year plan from 1970-73 actually outstripped its planned level of investment of 26,000m dinars and spent 33,000m dinars, a truly remarkable achievement in a continent where most development plans are banished to the bookshelves after a year or two of unfulfilled targets.

The 1974-77 development plan, which should have come into operation on January 1, was adopted only on May 14. The reason for the delay was not lethargy on the part of the Algerian authorities but their desire to work out accurately the effects of the huge oil price increases on the 51 million tons of oil which Algeria has produced in 1973 and the increased revenue which would be injected into the Algerian system over the years ahead.

The Algerian economy is still in its period of maximum growth. With its tight planning policies, restrictions on consumption and high investment targets, it is one of the few oil producing states that can absorb petroleum price increases and put them to immediate productive use. Algeria hopes that, by continuing to invest at very high levels in the 1970s, it will build its own self-sustaining momentum as the economy starts to take off in 1980. Meanwhile, very good business can be done by firms prepared to provide the goods, financial services and training that Algeria needs.

Algeria's plans for 1974-77 envisage investments of 54,000m dinars and for 1978-80 of 46,000m dinars. Before the oil bonus, the planners were sufficiently confident to contemplate a balance of payments deficit of more than 1,000m dinars by 1977, gradually changing to a surplus of some 500m dinars by 1980. By then imports will be worth more than 10,400m dinars.

Meanwhile, outside confidence in the economy has been reflected in the ever-increasing volume of foreign loans, funds and investments flowing into the country.

The list of foreign loans to Algeria negotiated in 1973 is shown on the right. In addition, there were 200m Algerian dinars from Libya (about \$53m), 500m Belgian francs (\$13m) and two loans to buy British goods from the Export Credits Guarantee Department of £55m.

Mr Ismail Mahroug, Algeria's Finance Minister, points out that these loans

are not being used for consumption but for productive investment. He expects that half the investments for the 1974-77 plan will come from loans. Public debt stands at 7,900m dinars, about 30 per cent of the gross national product, and it is the Government's intention to maintain this level.

As most of these loans have been obtained on a long-term basis with pay-back periods ranging from 10 to 35 years (a time when there will be maximum earnings from gas and oil), there seems little indication that Algeria has over-reached itself. The inflow of foreign loans has allowed a healthy rise in foreign exchange reserves to \$1,876m at the end of June, 1974.

Algeria's trade has been growing at an impressive figure of 15 per cent a year. It was in deficit until the Organization of the Petroleum Exporting Countries oil price increases last autumn, but this year a surplus will almost certainly be earned, despite the sharp rises in the price of imports.

In 1973 sharp rises in the price of industrial goods, iron and steel, transport equipment, engineering products and foodstuffs cost Algeria more than 1,500m dinars. Algeria is still heavily dependent on imports of cereals, sugar and milk. In 1973 it paid four times as much as 1972 for its wheat; three times more for timber and more than twice as much for its iron, steel and cement.

But price rises in oil and

Feb. 1 \$20m European, Canadian, Japanese banks.

Mar. 28 \$300m Eurodollar: Six US banks (for 1974-77 plan).

June 1 \$100m Canadian banks and Canadian development agency.

June 18 \$24.5m World Bank (roads, irrigations etc.).

July 3 \$130m Orion group (London).

July 3 \$20m Mitsubishi (for industrial development).

July 28 \$20m Beirut money market.

Aug. 1 \$50m Wells Fargo bank US (for State Construction Co.).

Oct. 1 \$50m Japanese banks (Sumitomo leading).

Nov. \$40m French, European, Japanese banks.

\$250m First Boston, Citicorp banks for Sonatrach projects, involving LNG plant.

Total \$1,004.5m

gas more than kept pace with these increases and the investment. He expects that the Algerian Government has shown its confidence in its overall balance of trade situation by deliberately restricting the expansion of oil exports to some 51 million tons, compared with a projected 56 million tons in 1973, in line with OPEC oil producers' requests to hold production down and keep price levels up.

The tables indicate the direction of Algerian trade with France, still by far the most important supplier, though its share of trade has been steadily dropping over the years, with West Germany, Italy, Britain and Russia expanding rapidly to fill the gap.

In recent years Algeria has been one of Britain's fastest growing export markets, particularly for machinery, transport equipment and capital goods of all kinds. In 1969 Britain exported £3.5m of goods to Algeria. By 1973 the figure had shot up to £37.9m against even higher imports of £45.7m.

With the oil price explosion, imports from Algeria are expected to double during 1973-74 and the trade imbalance may swing further in Algeria's favour. However, for the first seven months of this year, British imports from Algeria totalled £22.8m (of which £16m was spent on oil) while exports from Britain during this period were £28.2m, giving a trade balance in Britain's favour.

Algeria has a deliberate policy of reducing its trade dependence on France and shopping across the world for its imports, often showing more interest in quality than in prices.

British salesmen report that five years ago French goods almost had a monopoly of the Algerian market. Then, for two years, there was a switch to the Soviet block. Now it is the turn of Britain and the European Community countries. Today much military communications equipment, originally bought from Russia, is being replaced with the British equivalent. British firms are tendering for nearly £500m of important contracts in diverse fields.

Algeria is an avowedly socialist state and its economy is organized almost entirely under the state-owned system. The executive arm of the economy consists principally of 45 state companies (sociétés nationales) and 16 agencies (offices nationaux). These vary from the giant Sonatrach, which claims to be the ninth largest oil company in the world, to quite small companies.

Each state company has a quite clearly defined range of activities and under general policy guidelines a considerable degree of autonomy. Imports, exports and foreign exchange are closely and completely controlled by these state organizations. An increasing percentage of imports has been monopolized by law.

Mechanical products, vehicles, motors and machinery may be imported only by permission of Sonacome; steel may be imported only by SNS and so on. The export services and promo-



The state is transforming the iron and steel works for local industrial use.

tions division of the Board of Trade will supply a full list of the Algerian state monopolies and their interests.

State organizations have increased their foreign spending over recent years, mainly on capital goods. This is likely to continue for several years, but is likely to fall off towards the end of the decade as Algeria's own new industries get into their stride. In the meantime there is a deliberate austerity policy regarding consumer goods.

The most important opportunities for British firms lie not so much in working on the project for once-off sales as in establishing relationships with Algerian state companies and tendering consistently for work and projects and being prepared to train Algerians to run the factories or technical equipment properly after installation.

A typical example of a firm already successful in this way is Pritchard-Rhodes, a subsidiary of the United States International Systems and Control Corporation, which is building gas liquefaction plants. With the fourth liquefaction plant at Skikda nearly finished, it signed a £50m contract for a fifth and sixth plant last year which will provide work until 1977.

Meanwhile, John Brown is building two compressor stations at the Hassi-R'Mel Skikda gas pipeline as a result of a £15m contract. Both these companies have found that one project has led to another over a number of years.

Many British companies find that preliminary nego-

tations before getting into the Algerian market are long and tedious, but once a firm has established contacts one project leads to another.

The Algerian Government makes a habit of putting out all its projects to international tender. Even the smallest of tasks are handled in this way, but frequently it is the local firm which knows the people and problems concerned, that gets the business.

Esams, the Elliott Automation subsidiary, has won a contract for the study of Algerian ports and has been working on the project for the past two months. The technical advice given could lead to other British contracts in quay building, water engineering and heavy equipment. Another study that will soon be coming up will be of the national cold storage requirements, for fruit and vegetables in particular.

PA Management Consultants is advising the state corporation Sonelgaz on the national electricity and gas requirements. W. S. Atkins and Partners, of Epsom, has won an important consultancy for the extension of the El Hagar steel works at Annaba. This is a contract involving some 150 British engineers and is valued at some £25m.

Birley Engineering, of Glasgow, is also involved in this El Hagar iron and steel complex. It is helping the state corporation SN Metal to transform the iron and steel for local industrial use.

Parsons & Whittemore Lyndon recently signed a contract to build a paper pulp factory on a turnkey

basis at Nazrec, near S at a cost which is likely to exceed the expected £10m. Chem Systems, of London, has won a second project management contract, being its total of contracts worth £125m. The £10m worth £500,000, is from state oil corporation track and covers a contract on two natural gas processing lines at Skikda.

A British Embassy spokesman in Algiers saw opportunities for goods exporters, financial services and consultant all types. He cited the success of Harris-Intertec which sold its machinery display during the first of the recent Algerian fair, and the Algerian official who slept overnight in his car outside the embassy to buy a machine from the Colchester Company the moment doors opened.

British businessmen are advised to approach Algerian market with open mind and consider determination. It is essential to do business by visit and to continue keep in touch until a breakthrough is made.

Algerians are very tough and serious. They have chosen to rely on their own economy on list lines and realize they need help. But have learnt to distinguish between the unreliable those who offer good quality and service. Negotiations in Algeria take rigid bureaucratic have to be carefully followed.

"But" according to Briton who has been in business there for 17 years, "once agreement has been reached on the Algerian side they will always retain their part of the contract."

Algerian state organizations should always be treated seriously when dealing against international tender documents. Documents have been prepared by the state corporations over the years to very precise information. The embassy gives advice to respect requirements for specific formalities of present and the standards required.

Once contracts are signed with Algerian state companies there are some long delays before getting the approval for import finance and so on. Supplying technical services to Algerian clients, even state organizations, advised to ensure that approval for the necessary transfer of foreign currency has been obtained by customer from the central commercial banks before the contract is made.

With the exception of some items, all goods subject to various import controls. They may require licences and a from the state organization or monopoly concern. Most goods can be imported only by the state companies. Goods which are not in category require prior authorization granted by Ministry of Commerce in accordance with a quota. This authorization usually entitles the holder to obtain the necessary foreign exchange.

مكتبة من الأصل

SONAREM

The story of a liberation

When on May 6, 1966 the Algerians took into their hands the fate of the mining industry, this was an act of liberation.

The liberation of men—miners buried in the bowels of the earth, the subjects of exploitation, became management.

An economic liberation since national wealth would henceforth be used solely for economic development and to raise the standard of living of the people. An instrument was needed to take charge of this basic sector of the country's economy and as a result SONAREM was set up and given the substantial funds needed to finance its ambitious plans for the development of its mineral resources. Today SONAREM employs

13,000 people and invests 20 million dollars yearly in its programmes.

During the first four-year plan which covered the years 1970 to 1974 SONAREM extended its investigative work to the whole of Algerian territory using aeromagnetic and radio metric survey techniques and prospecting all areas where results seemed promising. Its vast programme will enable it to increase mining output by 15 per cent per year for the next few years by exploiting existing deposits more extensively and opening up new mines.

The increased mining output will first be used to meet the growing requirements of the Algerian home market which is expanding

rapidly as a result of the establishment and development of secondary industries, while any surplus production will be exported.

SONAREM is at present keenly aware of the need to raise the standard of living of the people who make possible the acceleration in growth in this sector of the economy and has implemented successfully principles of socialist management. At SONAREM the workers are the management.

From the moment it was first set up, SONAREM has given absolute priority to education and training. Its efforts in this field have borne fruit and to date have produced more than 2,000 engineers and technicians of all classes.



CRÉDIT POPULAIRE D'ALGÉRIE

National Banking Establishment with capital of 45 million Dinars—established by Decree 66.366 of 29.12.1966

Under the second Four Year Plan, 1974-1977, the sum of 110,000m Dinars has been earmarked for public works, a sector in which Crédit Populaire d'Algérie has extensive specialist experience. All public works contractors and similar concerns have exclusive arrangements with our branches for their payments and the Bank is now using its expertise in the private sector as well.

Crédit Populaire d'Algérie also negotiates finance for public and private companies in industry, trade and the service sector and conducts all forms of foreign business.

**Head Office: 2 Boulevard Cl. Amirouche - ALGIERS
tel. 63.28.55/58**

**Telex: CREPOPAL 52.512
Foreign Department CREPOPEX 52.741**



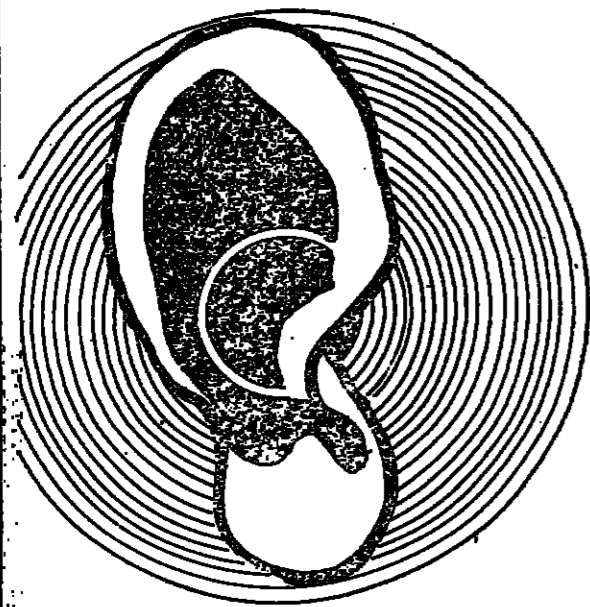
Etablissement National de Banque au capital de 45 millions de dinars créé par ordonnance n° 66.366 du 29.12.1966

Le deuxième plan quadriennal 1974/77 prévoit 110 milliards de dinars de Travaux de Réalisations. Le Crédit Populaire d'Algérie a une connaissance approfondie de ce secteur. Toutes les Entreprises de Travaux Publics et assimilées du Secteur National sont domiciliées à titre exclusif auprès de nos guichets. Cette spécialisation, s'élargit au secteur privé.

Le Crédit Populaire d'Algérie assure, par ailleurs, le financement des Entreprises Publiques et Privées des Secteurs Industriels, Commercial et de services et exécute toutes les opérations de Commerce Extérieur.

**Direction Générale: 2, Bd. Cl. Amirouche - ALGER
Téléphone 63.28.55/58**

**Telex: CREPOPAL 52.512.
Département Etranger CREPOPEX 52.741.**



RADIO-DIFFUSION
TÉLÉVISION
ALGÉRIENNE

21 Boulevard des Martyrs, ALGIERS

Broadcasts in Arabic from 1 September 1974 to 30 April 1975.

To West Africa
11,810 kHz - 25.04m
21,565 kHz - 13.91m
15,160 kHz - 19.78m
17,790 kHz - 16.86m

To the Middle East
11,965 kHz - 25.07m
17,745 kHz - 16.90m
9,685 kHz - 30.98m
15,370 kHz - 19.38m

International network
11,910 kHz - 25.18m
17,825 kHz - 16.83m
15,420 kHz - 19.46m
21,715 kHz - 13.83m

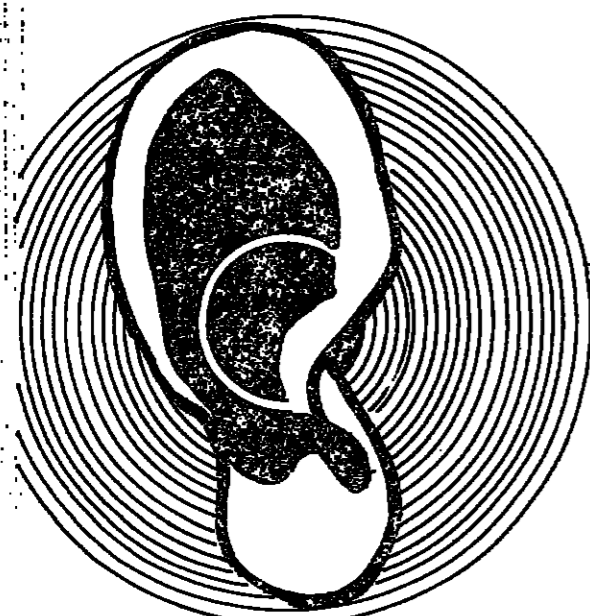
To Europe—long wave
254 kHz - 1,200m

Standard national network covering Northern Algeria.

1974—a network of transmitters covering the southern part of Algeria is being established, linked by satellite.



TUNE TO R.T.A. . . .
. . . TUNE TO THE VOICE OF ALGERIA



RADIO-DIFFUSION
TÉLÉVISION
ALGÉRIENNE

(Sigle)

21 Boulevard des Martyrs-ALGER

Emissions en langue arabe pour la période allant du 1 Septembre 1974 au 30 avril 1975.

A destination de l'Afrique Occidentale
11 810 kHz - 25.04 m
21 565 kHz - 13.91 m
15 160 kHz - 19.78 m
17 790 kHz - 16.86 m

A destination du Moyen-Orient
11 965 kHz - 25.07 m
17 745 kHz - 16.90 m
9 685 kHz - 30.98 m
15 370 kHz - 19.38 m

Chaîne internationale
11 910 kHz - 25.18 m
17 825 kHz - 16.83 m
15 420 kHz - 19.46 m
21 715 kHz - 13.83 m

A destination de l'Europe — Grandes ondes
254 kHz - 1 200m

Réseau national unifié sur le nord du pays.

1974 — Implantation d'un réseau d'émetteurs dans le sud du pays — liaisons par satellite.



ÉCOUTEZ LA R.T.A. . . .
. . . ÉCOUTEZ LA VOIX DE L'ALGERIE

ENC
ENTREPRISE NATIONALE DE COMMERCE,
D'OUTILS, DE QUINCAILLERIE ET
D'EQUIPEMENT MENAGER
TRADE: GOOD MANAGEMENT
AND GOOD POLICY

Good management and good policy: a policy of supplying the Algerian market with small hand tools for farming, building, engineering, carpentry, electrical work and other sectors; a policy of meeting every domestic and community need for household articles, tableware, and kitchen equipment—china, glass, cast iron, iron, steel, aluminium and enamelled items!

To implement this policy, ENC has planned for investment amounting to more than seven thousand million Dinars.

Its imports in 1973 totalled 228 million Dinars;

Its imports in 1974 will total 272 million Dinars.

Its main objective, nonetheless, is to distribute goods produced in Algeria.

Through the persistent efforts of ENC, Algerian products are used in every home and every community in the national territory.

As Algerian output increases over future years, the surplus will be exported. ENC will be responsible for marketing Algerian domestic goods all over the world!



commerce
la bonne
direction

ENC
ENTREPRISE NATIONALE DE COMMERCE,
D'OUTILS, DE QUINCAILLERIE ET
D'EQUIPEMENT MENAGER
LA BONNE DIRECTION
DANS TOUS LES SENS

Pour Assurer l'approvisionnement du marché National en matière de petit outillage à main pour les secteurs agricole, Batiment, mécanique, menuiserie, électricité. Etc. . . . Faire face à tous les besoins de ménages et des collectivités en articles de ménage, de table, de cuisine, qu'ils soient en céramique en verre, en matières annexes, en fonte, en fer ou en acier, en aluminium ou en fonte émaillée!

Pour atteindre ses objectifs, L'ENC a programmé plus de sept milliards d'investissements—

A l'importation, elle a réalisé 228 Millions de DA en 1973 Et 272 Millions de DA en 1974.

La diffusion de la production Nationale en ces matières est, et demeurera son principal objectif.

Grace à l'action quotidienne de L'ENC, cette production est diffusée dans tous les ménages et les collectivités à travers le territoire National—dans l'avenir, au fur et à mesure que cette production augmentera et que des excédents seront dégagés: L'ENC aura à charge de les commercialiser à travers le monde!

CAISSE ALGERIENNE d'ASSURANCE
et de REASSURANCE (CAAR)

The Caisse Algérienne d'Assurance et de Réassurance, a State insurance and reinsurance enterprise, was set up in 1963 under the Ministry of Finance. It is one of the principal financial institutions of the independent State, Algeria.

The CAAR was set up under Act 63,197 of 8 June 1963 in the form of State commercial undertaking with the principal task of handling the compulsory reinsurance requirements of insurance companies operating in Algeria.

The CAAR was authorised to engage in insurance business on its own account in a departmental order dated 26 February 1964. It is active in all branches of insurance within the State monopoly system instituted by Ordinance No. 66, 127 of 27 May 1966.

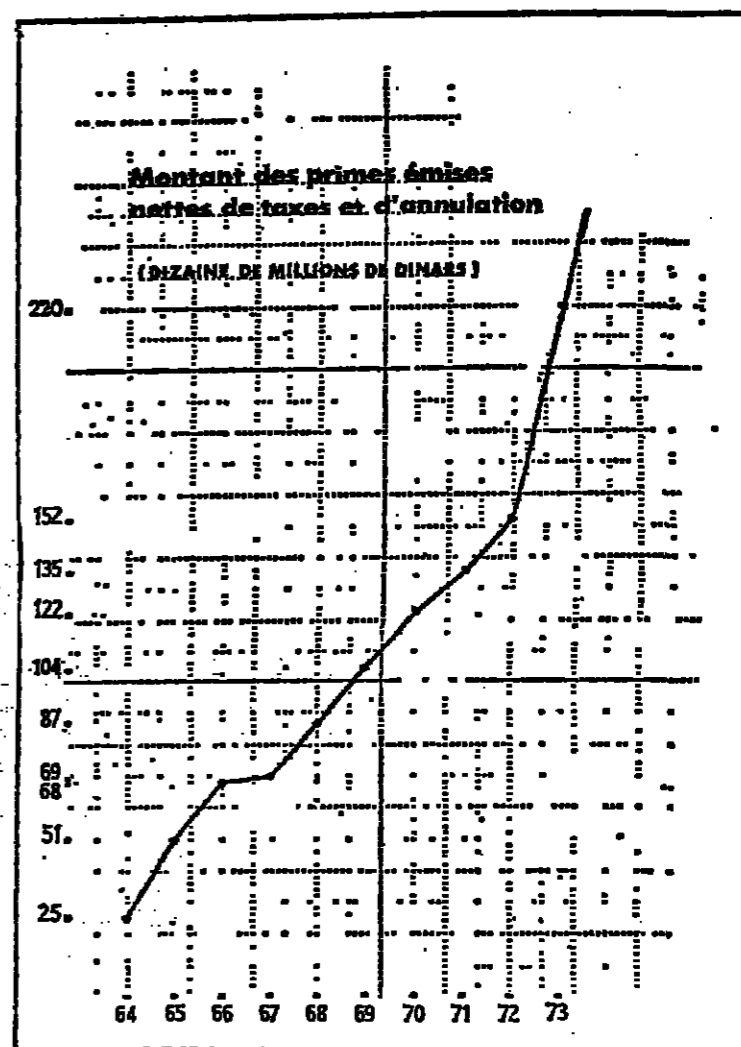
Since its formation the CAAR has made an annual contribution to the national budget, and it also makes considerable sums available to State funds. It is now approaching its eleventh year of operations and has technical reserves amounting to 400 million Algerian dinars.

It is therefore making an appreciable contribution to the financing of investment programmes.

A total workforce of 1200 is employed in the Head Office and branches. The great majority of industries in course of development, as well as those already in operation, are insured by CAAR, which also provides the cover for ships and aircraft of the State's commercial shipping line and airline.

The CAAR handles more business than any other insurance institution in Algeria and is also among the leading institutions in Africa and the Arab world.

From 1964 to 1973, turnover rose from 25,071,580 to 220,644,454 Algerian dinars.



The table and graph above show the development of turnover over the ten years.

During the first four-year period the CAAR received in premiums a total of 625 million Algerian dinars, net of cancellations and tax, or an average of 156 million dinars.

It should be observed, however, that business improved sharply in 1973, with the growth rate recorded was 41.30% compared with the total volume of premiums paid in the preceding year.

The importance of this growth rate deserves to be underlined, in that this was the first time since the State monopoly was established that such performance has been recorded.

During the last four years, turnover has doubled from 103 million dinars to more than 220 million dinars.

Mention should also be made of the successful outcome of the complete reorganisation of the network of independent agents.

Conditions for this reorganisation could not have been more propitious, since there was a marked increase in the volume of business during the same period.

Furthermore, since the reorganisation was preceded by the implementation of an overall professional training policy, there has been an improvement in the quality of service offered, particularly in regard to speed of settlement of claims.

At the same time working conditions and the appearance of insurance offices were greatly improved by the acquisition of better-placed premises.

In parallel with the drive to increase the volume of business in the different branches of insurance successful efforts have been made to diversify, and this helped to achieve a satisfactorily balanced portfolio.

This has been achieved by the promotion of branches of insurance other than motor. Before the four year plan motor insurance accounted for 60% of business, but by 1973 it represented only 43%.

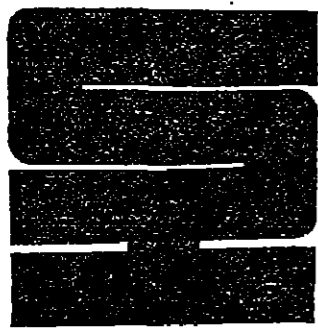
Finally, although more—and better qualified—staff is now being employed in the branch offices, the incidence of overheads has fallen from 18.40% in 1967 to 9.28% in 1973.

OUTLOOK UNDER THE NEXT PLAN

In view of the scope of the second four-year Plan, which envisages four times the volume of capital investment provided for in the first, it is reasonable to assume that the growth rate in the CAAR's volume of business will greatly exceed.

The branches which are expected to grow most rapidly are, in order of importance:

- Maritime
- Ship's hulls
- All risk insurance, construction sites
- Industrial fire and public liability



SONATRACH

GAS AND OIL—A STRATEGIC ROLE IN THE ALGERIAN ECONOMY

Algerian energy policy as a sound basis for economic development

Algeria, a country that produces oil and gas, has taken the decision to use its hydrocarbon resources as a cornerstone in building up its national economy. At a very early stage, it was realised that an energy policy must be formulated and implemented to promote and speed up the process of economic and social development.

As part of its unprecedented efforts to lay the foundations of a modern economy, it is a matter of principle to Algeria that it should use its natural resources to the full.

Energy, more specifically gas and oil, has a strategic role to play in the development of the Algerian economy in more than one respect:

- it is a source that can be used to accumulate the capital required to support general investment outlay;
- it provides the material basis for the establishment of industrialisation;
- it is a general factor promoting economic and social progress at all levels.

In view of Algeria's history and its political decisions, its energy policy should be seen as one of the tenets of its overall development doctrine. The field to which energy policy applies, therefore, includes the whole process of petroleum and gas production, their development and their deployment in the service of the national economy.

A brief review of the general situation in the oil industry during Algeria's first few years of independence will help to clarify the origins and development of Algerian oil policy.

From 1955—the year in which oil and gas were first discovered in Algeria—the impetus for and control of industrial development were provided by foreign companies, most of them French, under a system of concessions embodied in what was known as the Saharan Oil Code.

The code governed the activities of companies engaged upon hydrocarbon research, production and transportation. It was reviewed in 1962 and extended in its existing form on a provisional basis until 31 December, 1965 by the Evian Agreements.

Nevertheless, the Algerian Government very soon realised the need for a national petroleum policy which would reflect the objectives of this independent state and meet its most urgent needs.

In particular, the Government's concern was justified by the fact that, since 1962, the country's growth potential and the contribution of energy to the economy were being seriously compromised by a deceleration, and subsequently a virtual stoppage, in exploration work by the concession holders. In addition, the tax arrangements were extremely favourable to the foreign companies, resulting in stagnation in the state's earnings from oil.

At the same time, the newly independent state was facing grave problems arising from economic and social under-development and it wished to mobilise all its resources to build up a self-reliant and prosperous economy together with the hope of a fair standard of living for all its people.

A clear cut policy

Since it had decided to embark upon this course of action, Algeria could no longer adapt to a situation in which its natural mining and energy resources continued to be exploited and controlled by companies which, despite all their good intentions, were none the less by definition indifferent, if not opposed, to the concerns and higher aspirations of the Algerian national community, which they saw as being against their own interests.

These, then, were the motivating factors for the Algerian state in the general context. The Government outlined a general policy with clear-cut principles and objectives, while at the same time it made practical plans for its conduct and implementation.

In the pursuit of this objective, a number of guidelines have been laid down as follows:

- (a) the country's energy potential must be used to the maximum by renewed exploration efforts, the main aim being to increase its reserves of oil and gas;
- (b) there must be systematic improvements in

the exploitation of oil and gas resources, to produce the financial resources and means of payment needed to support investment in other sectors of the economy;

(c) the oil and gas industry must become one of the mainstays of the process of industrialisation in the country, by the establishment of a complete local network of hydrocarbon by-product concerns;

(d) the oil industry must be more closely integrated into the rest of the national economy, breaking with the tradition of under-developed countries in which oil is controlled from outside and is insulated from other economic sectors. The interaction between the oil and other sectors caused by an intensification of the flow of goods and services between them will be mutually beneficial and will lead to more dynamic growth in the economy as a whole;

(e) the hydrocarbon industry must provide sufficient supplies of fuel and natural gas to satisfy the country's needs at the lowest possible cost, thus stimulating general economic development and providing the Algerian consumer with modern forms of energy at a price that he can afford;

(f) although the public sector will act as the instrument of oil policy, there will be no wholesale rejection of all forms of outside cooperation. On the contrary, in promoting the growth of Algerian industry great reliance is being placed upon international cooperation: Algeria is closely involved in the flow of international trade in goods, capital and techniques.

In the oil sector, it is Algerian policy to encourage foreign participation where it is needed, provided that the contribution made is beneficial and is not accompanied by a stranglehold over the sector or its domination in a manner incompatible with the nation's basic objectives. In any such participation, there must be a fair balance of rewards: in exchange for its effective support, the foreign partner will receive adequate remuneration in proportion to the industrial risk incurred.

Before the objectives that had been formulated could be put into practice, a number of conditions had to be satisfied: procedures had to be evolved for intervention by the authorities and a political and legal framework had to be established to govern the relationships between the state and foreign companies setting up in Algeria.

One of the first priorities was to provide the state with an instrument through which it could take action. A firm footing had to be created at every level of the oil industry so that policy formulated by the Government could be implemented at each stage. That instrument was the national company formed with the name of SONATRACH, whose original objects were restricted to the transportation and marketing of hydrocarbons, although they were extended to all oil industry activities in 1966.

A fairer share

Of equal urgency was the need to redefine the role of foreign interests in the exploitation of the country's natural resources. It had rapidly become apparent that it would have been quite incompatible with the political and economic options of an independent Algeria to continue with the arrangements inherited from a former colonial power.

As soon as it had gained its independence, Algeria clearly affirmed the principle of its full and undisputed sovereignty over its own natural resources. It announced its intention to make radical changes to its relationships with concession-holding companies. There was to be a fairer distribution of the income created by the exploitation of its wealth; foreign financial concerns were expected to contribute effectively towards the nation's efforts to build up its economy; and the state was to have a predominating share in decisions and the conduct of operation.

Algeria and France then embarked upon negotiations which culminated in the agreement of 11 July 1965. By this compromise settlement, the concession holders were allowed to conserve their rights for a limited period (with a few changes of a fiscal nature), in exchange for cooperation with exploration in a vast mining area, the concession being granted to a joint Algerian-French partnership (cooperative association). The agreement also provided for a French financial contribution to Algerian economic development and

French government participation in a project relating to the export of natural liquefied gas to the French market.

The agreement was for 15 years and it was to be renegotiated after a preliminary five year period. In practice, however, the first five years proved to be a disappointment for Algeria. Without going into the detailed history of Algerian-French oil relations during this time, the original plan for cooperation between the two countries proved to be unworkable, the companies involved being in essence groups with special interests of their own governed by a strategy whose rationale was alien to the political thought underlying the agreement of 1965.

Because of this, while Algeria scrupulously complied with all the terms of its contract towards the concessionary companies it failed to receive the true and adequate return that it was entitled to expect in the development of its energy potential and participation by French concerns in the industrial plans it had outlined.

This basic conflict between the interests involved inevitably led to a profound rift in Algeria-French oil relations in 1970 and 1971.

In the light of its experience and in view of the failure of negotiations in 1970, Algeria decided to take over effective control in the oil industry as a whole through a 51% majority holding in the capital of concessionary companies and through total nationalisation of natural gas and pipeline transportation.

The Algerian state's decision to nationalise, reached on 24 February 1971, was the culmination of the severe crisis that had arisen between the two countries. When the national company, SONATRACH, signed agreements with Total-Algérie in June 1971 and with Elf-Erap in December 1971, the situation was finally ended and relationships between these companies and Algeria could return to normal.

In the meanwhile, in April 1971 the Algerian Government issued a new basic law on hydrocarbons, abolishing the Saharan Oil Code arrangements and stating the principle that the state would have a majority holding in any future hydrocarbon research and exploitation operation.

This meant that Algeria was not forced to resort to force to obtain control over the use of its national resources until all its attempts to negotiate had failed—first between 1965 and 1969 with the English-speaking companies, later with the French concerns in 1970.

The forms of partnership proposed by Algeria at the time were seen as exorbitant and unacceptable by the companies, who rejected the terms on the outdated grounds that they had established rights.

Nevertheless, the agreement signed by the Getty company and Sonatrach in 1968 constituted a model for the type of relations which Algeria now hope to establish with other concessionary companies.

Two basic principles

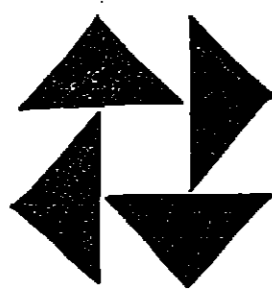
Today, now that the concept of state participation and control of oil is rapidly becoming generally accepted in many Western European countries, we can survey how far we have come and conclude that certain "heresies" may often be no more than the expression of a proper appreciation of matters in a rapidly changing world.

The phases in the development of the national company, SONATRACH, are milestones in the path that has led to an Algerian petroleum policy. Bearing in mind the vital dates in the history of the company and the general direction in which it has moved, Sonatrach's role is founded on two basic principles:

it has been set up to be the instrument for the development of the Algerian oil industry;

it has become one of the instruments for the country's industrial policy.

In furtherance of these two basic principles, SONATRACH has not only played a part in developing the oil industry in Algeria and in the gradual acquisition of control over the hydrocarbon sector but it has also, acting as the agent for the state's industrial policy, embarked upon a vast programme whose aim is to promote the optimum use of energy resources to the benefit of economic and social development in Algeria.



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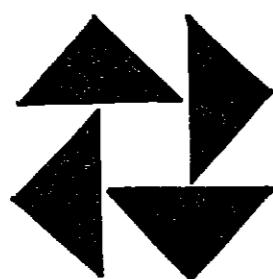
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Priority now is to develop resources for higher returns

by David Blake

Oil pays Algeria's piper, and it is oil which firmly calls the country's tune when it comes to deciding the nation's investment priorities.

In 1973, before the big increase in oil prices had increased its importance still more, the hydrocarbon sector dominated industry. Hydrocarbons accounted for 56 per cent of industry's turnover, and more than 95 per cent of its exports. In return for now contributing more than £1,300m a year to state coffers (more than half of all revenue) the industry has received the lion's share of investment. More than 40 per cent of industrial investment went into oil and gas in 1973, and this percentage will be maintained right through the current four-year plan which ends in 1977.

In spite of its vital importance to the economy, Algerian oil production does not compare with that of the real giants of the oil world, such as Saudi Arabia or Kuwait. Output this year is expected to be just over 50 million tons, which is expected to rise to just over 70 million tons by the end of the decade. This fairly limited output reflects the limited scale of the country's reserves, which on the Government's estimate have been put at 1,200 million tons.

The country's economic outlook reflects both the increasing importance of oil in the modern world and the relative backwardness of the other sectors of the economy which Algeria inherited. Along with this central economic importance, the Algerian oil industry has held a key role in defining the country's relations with foreign nations, and most of all with France. It was during the French rule of the country that oil was discovered in the Sahara, and during the long struggle for independence, the question of who should be allowed to develop it and to gain the benefits was one of the hardest issues to resolve.

Algeria emerged as an independent nation with a policy towards its oil which was in many ways more nationalistic than that of other oil-producing nations, east, but which at the same time forced it, under the Evian Agreement which created it as a state, to guarantee the continuation of the favourable terms which had been granted to exploring oil companies by the French Administration. That the most favoured companies were themselves French added further to Algeria's bitterness.

The first Algerian reaction was to seek to live with these agreements, which gave the Government an unusually small tax return, and to try to seek its own reserves through exploration by a new state-owned company, Sonatrach. Although it met with some success, this policy was effectively doomed to failure by the fact that it is highly unlikely that there are any fields which compare in importance with the Hassi Messaoud field already discovered and allocated by the French.

The first step in the country's new, more aggressive policy which soon put Algeria in the forefront of the Arab countries pressing for a more nationalistic stance in their dealing with the oil companies, came in 1965. Under decrees announced then, ownership of all the country's hydrocarbon reserves came into state hands, and a new formula was set up for dealings with foreign companies.

The new rules were particularly hard on non-French companies such as Phillips, Esso, Shell and other smaller companies. They were assessed on the Opec posted price system, instead of the more generous arrangement which they had been allowed, and they were forced to retain all their profits in Algeria. New financial rules also made it more difficult for them to invest more capital in the country.

The terms given to the French, on the other hand, were far more generous. Compagnie Francaise des Pétroles (CFP) and ERAP, the two firms who had heavy investments in the country were given a number of special concessions. The price

on which they were assessed for tax was 26 to 27 cents a barrel below that used for the other companies, and an agreement between Sonatrach and ERAP set up a partnership to develop the Sahara reserves together. Most important, the French firms were allowed to remit half their profits to France, an issue which was assumed increasing importance later in the decade, as foreign exchange became increasingly necessary to finance the country's ambitious development programme.

It was, however, the non-French companies who were once again to feel the next turn of the screw, as the 1967 war provided increased importance to any oil reserves west of the Suez Canal. Distribution and marketing in Algeria over and over again began to buy out the local operations of the international oil companies. BP sold its operation in early 1967, and was rewarded by receiving more generous terms than those which were offered later that year and in 1968.

By 1969 Sonatrach had pushed up its share of production from 11.5 per cent in the mid-1960s to 17.75 per cent. In 1970, with further investment, this share had gone up to 31 per cent. But the plans to increase state participation ran up against the strong position of the French companies, which seemed to the Algerians to be in no hurry either to get on with exploration and development or with negotiating a new deal with the Government.

The crunch came in February, 1971, when the Algerians expropriated all the French interests, provoking a French boycott of their production. Output that year dropped from 47,200,000 tons to 36,300,000 and the French sought the support of other oil companies in their dispute. But they got little backing, both because they had been among the first to sign agreements with other countries which nationalized British and American firms, and because of the privileged position which they had enjoyed in Algeria.

By June, the two French companies were forced to sign agreements on unfavourable terms. CFP was allowed to become a 49 per cent partner with Sonatrach, allowing it to take about half its former production of 14 million tons a year. ERAP was forced to take an even bigger cut, from 18 million tons to six million. Back taxes of \$80m claimed by the Algerians more than wiped out the \$37,400,000 the company received in compensation, so that it also had to hand over some 12 million tons of crude instead of receiving the \$30m net over seven years which was paid to CFP, which is to be involved in a wide ranging search in the Ourgla region.

Although the terms which the French were forced to accept were tough, they have allowed them to maintain operations in the country, something which at one time seemed unlikely. But the role of these companies, like that of others such as Sun Oil who were the first to sign such an agreement, is very much that of a junior partner. In 1972, Sonatrach controlled more than 76 per cent of production, and its share is going up. The first national goal of Algerian oil policy, getting the country's resources under control, has been achieved.

With that out of the way, the Algerians have been pursuing two other targets which they regard as of prime importance. These are the development of resources—by finding reserves, exploring them and getting a petrochemical and refinery capacity installed—then in getting a better price for their oil.

Investment and prospecting are scheduled to get even more money during the second plan than they received during the first one, in an effort to increase the country's reserves and get them out of the ground. Major efforts have also been made to increase the country's refining capacity. In the west, a Japanese group has built a 2,500,000 tons-a-year plant, while a contract has just been signed with a subsidiary of the Italian ENI group to build a huge 15 million tons a year refinery in Skikda at the east, which allow increased exports of refined products and make it easier to carry out the policy of providing cheap fuel to Algerian industry.

So far the petrochemical industry has shown a less rapid development, concentrating on fertilizer manufacture from natural gas at Arzew and a complex in the city which produces intermediate products such as methanol. But more ambitious schemes are afoot, including a huge plastics complex at Skikda with seven units producing products such as pvc, which should come into operation at the end of 1975 or early 1976.

But although these efforts to transform their crude oil into more valuable products are important, the oil industry, and because of it the country's economy, depend on the world price for crude remaining near its present level or going up again. Algeria has always been one of the keenest supporters of higher oil prices, arguing that the rich countries of the West have got their energy too cheaply for too long.

As the price of oil rises, the drop in French imports from Algeria, partly affected by a hangover from the abortive boycott in 1971 after Algerian nationalization of the French oil companies, was even more startling. Algerian sales went down from 2,264m to 1,363m dinars or only 23.3 per cent of total exports.

As well as the negative factors of the oil boycott and a gradual reduction in Algerian earnings from wine sales there were other reasons for a break-up of the partnership. On the export side the Algerians found increasingly profitable markets for their oil elsewhere, most notably in West Germany, which has registered a huge increase in trade with the country. The factors working against the French when it comes to selling to Algeria have been partly political, arising from a natural desire to break free from the ties of trade which are seen as a continuation of colonial links, and economic pressure. The economic factor has been that something like three-quarters of Algerian imports have been either of capital goods or raw materials, in neither of which the French are notably strong.

Out of the 10,000m dinars of imports in 1973 40 per cent were capital goods, and the nations which did best were those with a tradition for supplying them, above all the Germans, but also the Japanese and the Italians, who have built up a profitable line in providing the huge new industrial complexes with which the Algerians have been busily equipping themselves.

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This reflects three things. The first is the continuing orientation towards western European goods, and this is likely to continue throughout current plan. So, too, emphasis on investment goods, though the rise in their prices is likely to give a further boost to food imports, which are expected to increase per cent by 1977 over today's prices.

However, the count clearly keen to expand trade with other countries and in spite of frosty relations the United States is still a major partner, ahead of the whole of the Eastern when it comes to being market for Algeria's and more than 70 per cent larger than the Soviet Union as a source of imports. One striking fact is, although Algeria wishes to diversify its relations with black Africa for the volume of business between the Algerians and their neighbours south is small.

The structure of Algeria's trade has tended on the



Installations at the Hassi R'Mel field, the biggest of Algerian gas finds. Two thirds of the country's known reserves are —2,000 million cu metres of gas, one of the largest fields in the world. Below: a methane tanker loading at the port Arzew.

Decline in French dominance as pattern of trade changes

Algeria's external trade has been growing rapidly in the years since independence, and as it has grown it has changed. Exports, once mainly wine and citrus fruit produced for the tables of France, are now overwhelmingly dominated by oil and gas which go all over western Europe.

Imports, once consumer goods for the settlers who had the money to bring them from home, have become heavy investment material, needed to complete some complicated plant or other.

First, the increase in volume. Between 1970 and 1973 there was an increase of 30 per cent in external trade, some of it accounted for by increases in prices but some of it reflecting real increases in the quantity of goods sold. Over the four-year period exports reached 25,000m dinars and imports were 30,700m dinars. But if we look at the figures for 1973 alone the picture becomes much more favourable.

Exports were 9,500m

dinars while imports were 10,500m dinars, showing not only that trade was speeding up but also that the gap between exports and imports was closing rapidly and has now moved into surplus.

If we look at trade between Algeria and Britain, which in 1972 exported goods worth £33.8m to Algeria and bought products worth £22.9m in exchange, it is easy to see why. Last year, while British exports were rising slowly to reach £37.9m, Algeria's exports to Britain doubled to reach £45.7m. Most of this increase was accounted for by the jump in the price of oil, which accounts for 88 per cent of Algeria's exports to Britain, along with its natural gas.

The British figures also illustrate the other two characteristics of the changing nature of the Algerians' trade: they are dealing with a far wider range of people and they are buying and selling a different range of products.

One of the most striking things about the country's trade in the last few years has been the decline of the

French dominance. In 1968 the French took 55 per cent of Algeria's exports and provided 57 per cent of its imports. By 1972 their share in sales to Algeria had fallen to only 36 per cent, registering an actual drop not just in share but in the value of their sales as well, from 2,274m dinars to 2,020m dinars.

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مركز من الامم

Conditions change but natural gas still lifts prosperity

هكذا من الأصل

Pipeline to Europe in prospect

Natural gas used to be the exception of the oil with it is so often found. In many places it was found to burn off in the here, like some irritant which has to be rid of if the oil is to be used.

In other places it was found in a rock-bottom price, a condition of the ruling by the American Federal Power Commission that it was so important as a factor in pricing exploration should be treated as a by-product.

That has changed now. Few countries have reason to feel more than for the fact that it is likely to be the world's biggest reserves, though use is fairly small by standards, its use of natural gas put up in the world lead.



The liquefaction of natural gas, as in plants like this, made it a practical source of energy and an increasing contribution to Algeria's revenue.

According to estimates by the Oil and Gas Journal, the country's total proven reserves of gas are like 2,966,000 million metres, or 52 per cent of the world's supply.

Algerian situation as an exporter of gas is stronger than these figures indicate. Over a million reserves are in the Soviet Union, many of which in Siberia and of which accessibility in the few years. And a large part of the world's oil reserves are locked in countries which do not have a large enough population or industry to use it all. Only the United States and Iran have both a large and the wherewithal to do it.

The first gas finds were made in 1956, at the time of the French Government's decision to encourage exploration for oil and gas in the Sahara, and most of the discoveries were made between then and 1965.

The biggest of them is the Hassi R'Mel field, situated 300 miles inland from the coast to which it is piped. Two of Algeria's known reserves are here, 2,000 million metres of gas—one of the biggest fields in the world and like most Algerian gas it is particularly easy to deal with.

Algerian gas is not mixed with oil, which considerably eases the job of getting it to the ground. And the high methane content (over 90 per cent) makes it a

powerful heating source. The technology which makes this gas buried in the sand miles from anywhere a precious fuel is gas liquefaction.

Gas first entered into the realm of practical power supply with an experimental shipment on board a gas tanker from Skikda in Algeria to Canvey Island in Essex in 1959. That was followed in 1964 by the first of the regular deliveries under 15-year contracts to supply a total of 1,500 million metres of gas each year to Canvey and Le Havre in France.

Those contracts have continued successfully, but in the meantime there have been enormous changes both in the ownership of the gas itself and in the list of customers and potential customers.

The first change came as its transfer to the United States and European users. The first of these grew out of the constantly expanding American demand for natural gas—it is expected to increase its share of the market dramatically by the end of this century—combined with a shortage of proven, reasonably accessible finds.

This shortage owes much to past policies of trying to keep gas prices down, which have discouraged exploration. Those policies have rebounded with a vengeance: the price which was agreed in the 1969 contract signed by Sonatrach and the United States company El Paso for natural gas is far higher than the price Americans were used to paying.

Altogether there are a total of six contracts with the Americans which are due to take effect between

now and 1979. When they are in full operation they will involve supplying 32,100 million cu metres. The scale of investment needed to carry out these contracts is huge: the El Paso contracts alone involve an investment of more than \$1,000m and the total programme is likely to cost four or five times as much.

Having been successful in selling their gas to the United States for use along the east coast, which is chronically short of power, the Algerians turned their attention back to Europe.

Late in 1972, after long discussions, they signed their biggest contract ever, with a European consortium which will transmit gas to France, Belgium, Switzerland, Austria and southern Germany (a total of 15,500 million cu metres a year). They have also reached

agreement to provide 12,000 million cu metres a year to the Ruhr.

These contracts will require a further expansion of terminal facilities, both in Algeria and at Fos and Montfalcone in Italy, where the gas will be taken ashore. But perhaps the most exciting project is that for doing away with the whole cycle of gas liquefaction on Sonatrach's other major contract, that with the Italian company. This would involve building a pipeline under the Mediterranean to make gas across, where it would be fed directly into the Italian system.

The total of these contracts—more than 80,000 million cu metres a year by 1980—should mean that by then Algeria will be the largest gas exporter in the world.

far all the contracts for building long tankers have been won by the French. In 1970 the Hassi R'Mel, a 40,000-cubic metre tanker was ordered. It entered service in 1972 between Skikda and Fos-sur-Mer on the French Mediterranean coast. This was the first tanker to carry the Algerian flag.

At the end of 1972 a systematic policy of ordering new tankers began. The first batch of four was commissioned at the end of 1973 from various French shipyards. All four were larger than 125,000 cubic metres and delivery of the vessels is to start in 1976. In May this year a fifth tanker was ordered.

Other orders will follow and though French shipyards have won all the contracts so far there is no reason why other nations should not become involved in a later stage.

Finance came from the Organisation for Economic Co-operation and Development, with a further loan of \$200m from a consortium of international banks which were prepared to cover the cash outlay needs during the construction period. CNAN's complaint is that these loans are far too short in term and too costly. Appeals have been made to the main buyers of Algerian gas to help with the financing, but not a single country has shown itself interested.

The Government now says that because of this lack of cooperation the cost of its gas will be much higher. Strangely enough, though oil prices have increased in line with world prices since the Middle East war, Algeria has still not renegotiated its gas contract prices.

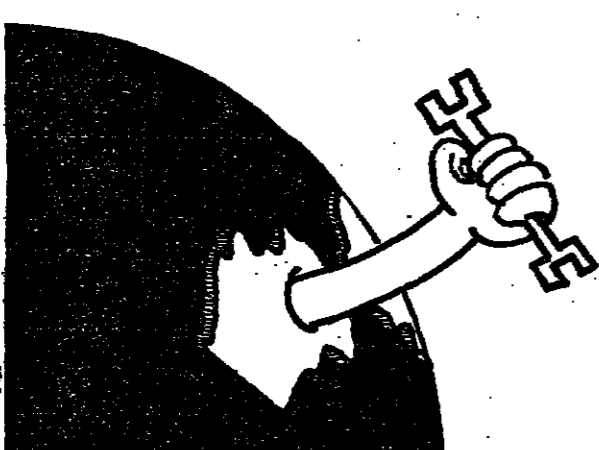
It sold its first 100 million cu metres a year contract to El Paso for 42 cents per 1,000 cu ft, but no price has been agreed for the new European contracts and negotiations are still continuing with the United States. The final price is expected to be in the region of \$1.20 per 1,000 cu ft.

Meanwhile CNAN is pressing on with a complete programme for the training of Algerian officers, engineers and crews at the Higher Institute of Merchant Marine. Last year the first graduates of the institute were sent to sea and engineers received their diplomas. From next year onwards the institute is expected to be able to supply specialist staff required by the world's shipyards and so

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NATIONAL ELECTRICITY AND GAS BOARD

The Société Nationale de l'Electricité et du Gaz (Sonegaz) has been granted a monopoly by the State of the production, transport, distribution, importation and exportation of electrical energy, and the transport of natural gas by a secondary network of pipelines (1) to effect distribution to the public, domestic and industrial sectors.

The objectives of Sonegaz

Within the framework of the first 4-year plan 1970-73 and the second plan, 1974-77, at present in operation, the essential aims are as follows:

—To provide the country's energy sector with a solid substructure, to meet the needs of the national economy, notably the rapidly expanding industrial sector.

This first objective is being implemented in the form of an extensive equipment programme such as the creation of new methods of electrical energy production, expansion of high, medium and low tension grids, and in the gas sector, through the creation of a true national network of transport and distribution, in order to give maximum supplies of a

plentiful and cheap fuel to industrial complexes, towns and other such centres

—To play an active part in the national effort to modernise rural areas by supplying these areas with sources of energy that were previously not available. Thus, during the course of the first plan, more than 500 villages were supplied with electricity. This drive will be increased during the second plan.

—To participate also in any promotive action by the application of very low tariffs, especially for natural gas.

The various schemes which have been implemented or are in the process of being carried out, clearly demonstrate the role assigned to Sonegaz, which:

—To meet the energy needs of a rapidly expanding economy, and to play an active role in promotive action.

(1) Separate from the principal gas pipelines which are intended primarily for use in exporting and managed by Sonatrach.

Representative Statistical Data

These figures, which represent the full spectrum of its activities, also demonstrate the rapid growth of Sonegaz in conjunction with the rest of the national economy.

	1969	1973	1977	1980
ELECTRICITY				
Output (in millions of Kilowatt Hours)	1 476	2 380	4 750	7 800
Number of Subscribers	685 000	920 000	1 250 000	1 400 000
GAS				
Total supplies (in millions of Therms)	5 131	9 950	25 100	40 850
Number of Subscribers	149 700	230 000	350 000	440 000
ANNUAL INVESTMENT (in millions of Dinars)	147.5	465.2	647.3	
TURNOVER (in millions of Dinars)	262.8	430.0	655.5	
MANPOWER	4 807	6 458	7 502	8 850

SOCIETE NATIONALE D'ELECTRICITE ET DU GAZ

La Société Nationale de l'Electricité et du Gaz s'est vue confier par l'Etat le monopole de la production, du transport et de la distribution, l'importation et l'exportation de l'énergie électrique, le transport du gaz naturel par canalisations secondaires (1) pour la distribution publique, domestique ou industrielle

Les objectifs de la Sonegaz

Dans le cadre du 1er plan quadriennal 1970-73 et dans l'actuel 2ème plan 1974-1977 les objectifs essentiels sont les suivants:

— Doter le pays d'une infrastructure énergétique puissante pour répondre aux besoins de l'économie nationale notamment du secteur industriel en très forte expansion.

Ce premier objectif se traduit par un programme d'équipement important tels que création de nouveaux moyens de production d'énergie électrique, développement des réseaux haute, moyenne et basse tension. Dans le domaine du gaz par la création d'un véritable réseau national de transport et de

distribution afin d'alimenter un maximum d'unités industrielles, de villes et centres avec un combustible abondant et bon marché.

— Participer à l'effort national de modernisation des centres ruraux par l'alimentation en énergie de centres jusqu'alors dépourvus. Ainsi au cours du 1er plan plus de 500 villages ont été alimentés en énergie électrique. Cet effort sera accru au cours du second plan.

— Participer également aux actions de promotion sociale par l'application d'une tarification très bon marché notamment dans le domaine du gaz naturel.

Les différentes actions réalisées ou en cours de réalisation mettent bien en évidence le rôle assigné à la Sonegaz, à savoir:

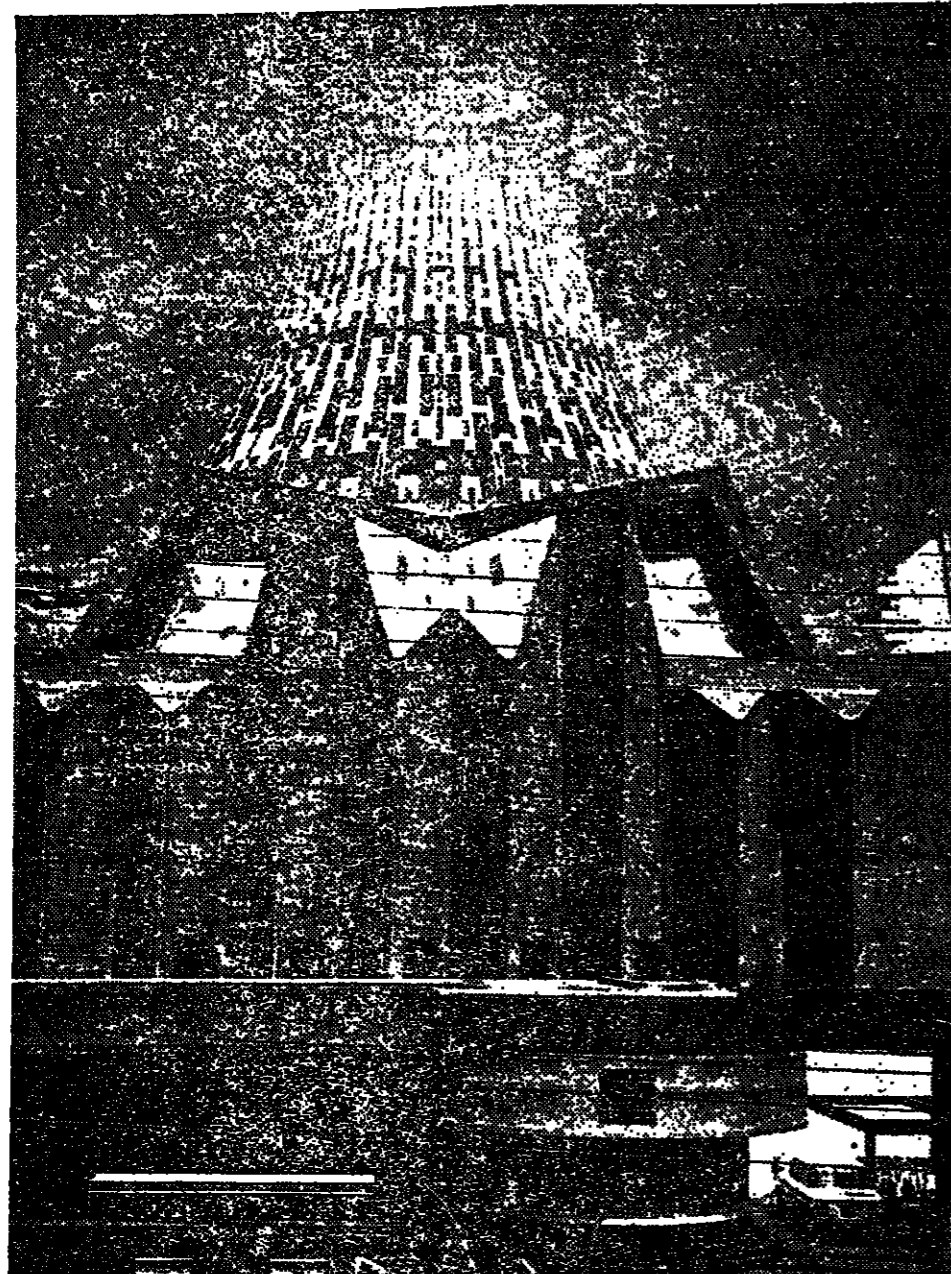
Répondre aux besoins énergétiques d'une économie en rapide accroissement et participer activement à la promotion Sociale.

(1) A partir des gazoducs principaux destinés surtout à l'exportation et gérées par la Sonatrach.

Grandeurs Caractéristiques

Les chiffres caractéristiques de l'ensemble des activités traduisent, du reste, la croissance rapide de la Sonegaz en liaison avec l'ensemble de l'économie nationale.

	1969	1973	1977	1980
ELECTRICITE				
Production (en millions de KWh)	1 476	2 380	4 750	7 800
Nombre d'abonnés	685 000	920 000	1 250 000	1 400 000
GAZ				
Livraisons totales (en millions de therms)	5 131	9 950	25 100	40 850
Nombre d'abonnés	149 700	230 000	350 000	440 000
INVESTISSEMENTS ANNUELS (en millions de Dinars)	147.5	465.2	647.3	
CHIFFRES D'AFFAIRES (en millions de Dinars)	262.8	430.0	655.5	
EFFECTIFS	4 807	6 458	7 502	8 850



Dramatic transformation has taken place despite impression of French city pickled in aspic

by David Blake

Although it is now 12 years since the French left Algiers, the physical appearance of the town has changed little. The paint on the buildings, most of which are white or cream, is just a little more weathered than it would have been under the colonial regime, but efforts are still made. A few new buildings have gone up, but far fewer than in the seaside towns on the other side of the Mediterranean which have seen great flat-building throughout the 1960s.

Many of the streets have kept their French names, bearing tribute to obscure writers whose only claim to fame seems to have been that they died during the First World War. Even those streets which have been renamed, such as the main shopping street, the old rue Michelet, are popularly referred to under the names they had when crowds marched along them chanting "Algérie Française".

Worrying problem of drunkenness

In the cafés, which still for the most part keep their old names, everyone seems to be drinking a French brand of beer or, even more commonly, of *pastis*, adding

to the drunkenness problem which is so worrying for an Islamic state. Even the things which do not work, such as the telephone system, do not work in what seems a characteristically French way.

But this impression of a French provincial city pickled in aspic is totally false; for under the continuity and the superficial similarities with its past, Algiers has undergone a dramatic transformation. The blocks of flats, once the exclusive preserve of the Europeans, have been taken over by Algerian families, many of them moved in as tenants of the Government which took over the property when the former French owners disappeared to Paris and Marseille as part of the great exodus immediately after independence.

There are still something like 80,000 foreigners in Algiers, most of them Frenchmen who decided to stay behind. But they matter less than they do in most other cities of similar size. Their living standard, usually the prime reward for living abroad, is held down by high rents (for a senior diplomat, a suitable home might cost £1,000 a month to rent, and those working for the private sector have to pay heavily too) and the high cost of such things as imported cars.

The luxuries from home, which are available at a price in most places, are just not there because the Government does not approve of wasting foreign exchange to buy them, and the state monopoly will not allow anybody else to do what it does not do itself. The hotels, once famous for their luxury, are more spartan (though no less expensive) and so few that guests are frequently evicted if they try to prolong their stay for more than a week.

Fierce nationalism still alive

One of the prime rules which the country's leaders constantly impress on their people is that the Algerians must rely on themselves, and their attitude towards foreigners does little to weaken the need to do that. In pursuing this policy, they give added strength to one of the most striking attitudes that one comes across recently from Algerians who discuss the progress their country has made since independence.

They are proud of what they have achieved, and their attitude is not surprising in view of the chaos which Europeans predicted would occur if the trained French ruling class left the country. It is this fierce nationalism,

still alive after so long, which does much to explain why there is so little sign of opposition to or criticism of the Government.

No one doubts that if it did occur it would be fairly severely repressed; there are police everywhere in the streets and in the countryside, stopping cars at random to check the identity of occupants and generally making their presence felt, and adding to the mood in which people seem to feel that their telephone will be automatically tapped.

But this is not the real reason for the lack of dissent; it is that most people seem prepared to believe that the regime is doing its best to create a decent society for them and their children, and that its policies are on the whole proving remarkably successful.

The signs of that success are all around them. Many of them remember the days when the main streets were crowded with beggars asking for charity from European shoppers. They are now full of men on their way to work. It is not on the whole well paid work yet, and there is still a large number without a job to go to. But for them too there is hope, because even if they do not get a job this year or next, the year after that as the next stage

of the plan takes effect there will be yet more employment.

They think, on the whole, too, that the society in which they live is one where the leaders are trying to be fair. Everyone knows that some of the large nationalized corporations pay large bonuses to their top employees, and the people at the top still get first refusal of the luxury villas left behind by the French. But against this the maximum limit on salary does seem to have prevented the emergence of an ostentatiously well-off middle class driving fast cars to smart cafés, and the food subsidies handed out by the Government keep the basics within reach of ordinary workers.

Some things still seem to be changing slowly. The streets are living proof of the extent to which Algerian society is dominated by men, with remarkably few women around and a surprisingly large number of the older ones still wearing the veil, and being copied in their action by a number of the younger women. However the overall impression is of a country which is changing rapidly, but still in a way which its leaders can control.

The bright young civil servants and managers, many of whom have been thrust into

top jobs in their thirties and clearly thrive on the result, keep coming up with expressions of their confidence in their ability to make the correct decisions and in their basic rightness about the kind of society which Algeria wants to be. They recognize all the problems, like the shortages of trained manpower and virtually everything else, and the capacity of the bureaucracy for adding new delaying tactics to the impressive armoury which the French left them with.

Optimism keeps breaking through

But after the qualifications, the optimism keeps breaking through. The plan will be achieved, the norms will be exceeded and production targets will be met. Housing is a terrible problem for everybody, so there will be a major effort to improve the habitat of the cities and the housing will be built. It is a peculiarly intense self-confidence, strangely at odds with the untidy elegance of the capital in which it is set, which looks as if it has always been slightly decadent. But it is this mood of its people, not the look of its towns, which seems to give the key to the way the country is moving.



Algiers is a combination of European and Arab traditions. Top left: part of the capital city is dominated by this modern mosque which looks more like the cooling tower of a power station. Top right: night skyline. Centre: street scene. Above: outside the main post office.



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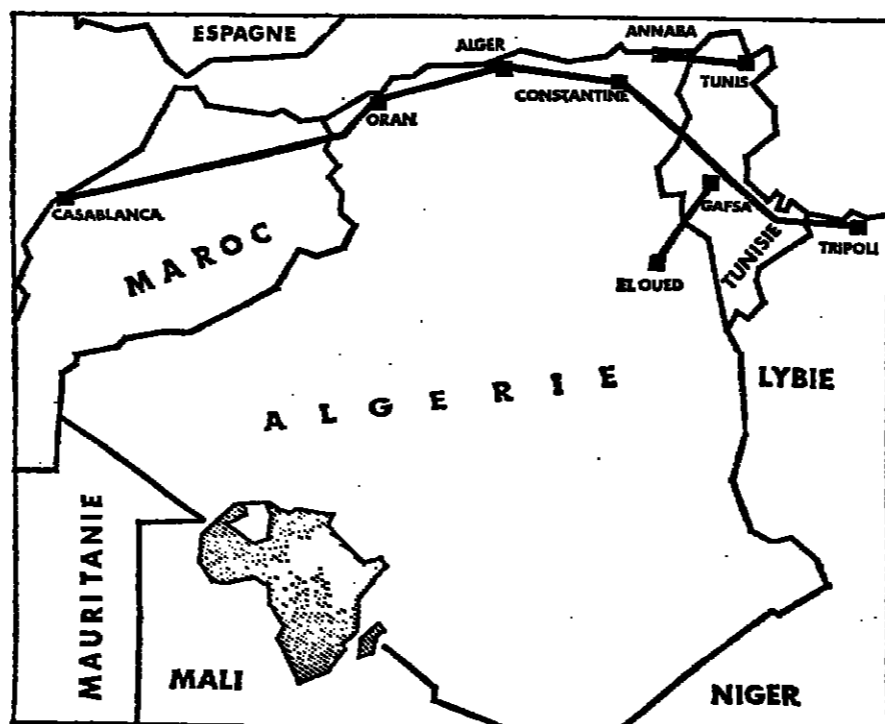
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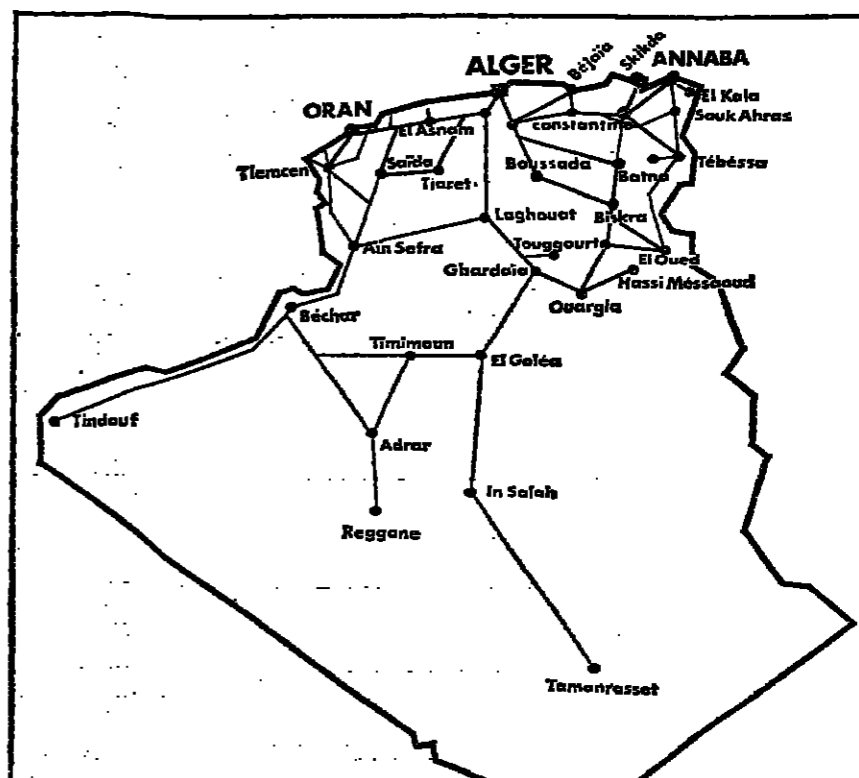
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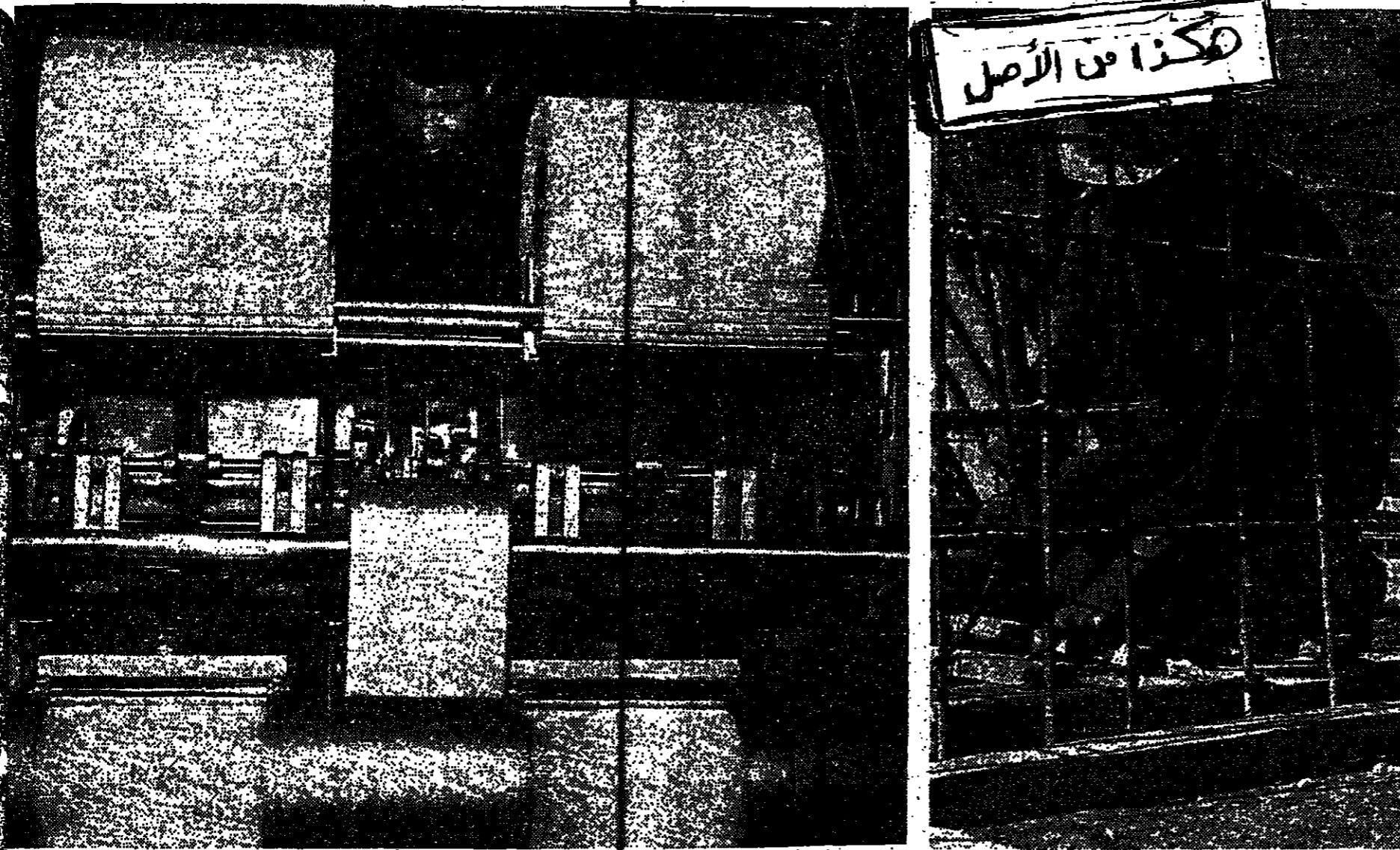
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كوزا من الأصل



...ies are often part of private sector industry but public works and housing come under state control.

Power of the purse dominates state-owned companies

There is still a private sector, concentrated in industries such as textiles, most of which is state-owned. Monopolies control 90 per cent of the industrialized

factories to be built and output to be achieved. But the Finance Ministry has pursued a policy of forcing all the large corporations into debt. Profits have had to be handed over to the Government each year, so that the corporations have no reserves of their own and have to go to their banks for even the smallest investment.

To stop this happening, the Finance Ministry has pursued a policy of forcing all the large corporations into debt. Profits have had to be handed over to the Government each year, so that the corporations have no reserves of their own and have to go to their banks for even the smallest investment.

When they make a loss, as can well happen if government policy is forcing an industry to hold its prices down, the Treasury will make them a loan to tide them over, thus further increasing their need to stay in the right side of the government planners.

This policy has been a deliberate attempt to meet one of the most persistent difficulties which face the Algerian economy, in common with that of most newly-developing nations, the shortage of skilled managers who can be relied upon to make the right decisions on their own. Algeria is lucky in having, at least at the top of its ministries, some able civil servants and ministers who would shine in any administration; but lower down the gap is still present.

At the same time as this experiment is going on, efforts are being made to increase the say of the workers in the running of their companies. Workers' councils have been set up, and legally have full control over the running of the firm. In practice, of course, it does not work out quite like that. Many of the decisions are not taken in the corporation at all, but in the Government. Even those that are taken in the corporation often involve the kind of specialist advice which only management can give.

Clear EEC policies needed

By Francis Ghiles

The importance of the Mediterranean in world politics is nothing new; today, however, that importance is enhanced by the major role oil plays in international affairs. The bulk of Europe's requirements are met by Arab oil, from the Middle East and North Africa. This, inevitably, is leading western Europe, in particular the EEC, to regard its foreign, military and economic policies in a new light. The stability and security of the area is arguably of equal importance to the United States.

Before the price of oil was increased last winter, Algeria was planning to spend £5.8m during the 1974-77 four-year plan. This figure was later increased to £11.9m. Of this sum 45 per cent will go to industry and agriculture, including irrigation, and major infrastructure projects will take a further 5 per cent.

Algerians to reduce their production of *vin ordinaire*, but will give a maximum figure (in value) for the amount of wine that can be imported to the EEC, for five years.

The June and October wars, last winter's embargo on Arab oil to Holland and Denmark and the quadrupling of the price of crude have made the EEC acutely aware of just how vital its interests in the Mediterranean are. The relations between the EEC countries and Algeria are thus a facet of a complex problem.

The increase in the price of oil also means that less money will have to be borrowed abroad to finance this mammoth development. In 1973, Algeria borrowed £650,000m on the Euro-currency market, thus becoming one of the largest debtors raising money in this way. Most leading British banks were involved.

Last December, at their summit in Copenhagen, EEC leaders agreed, not for the first time, that a global approach to relations with Mediterranean countries must be followed. The Community has also accepted that some form of free trade zone will be set up with those countries to compensate them for the tariff preferences granted to the Community.

Important trading partners

Despite the crisis in the relations between the two countries in 1971 France remains its former colony's major trading partner, but the day is not far away when Western Germany will have caught up. In 1973 it took just over a fifth of Algerian exports, just below the French share of 24.5 per cent. Italy, The Netherlands, the United Kingdom and Spain are also important trading partners.

Algeria does not seek the limited associate status that Tunisia and Morocco enjoy. Three problems dominate the country's thinking on this issue: wine, emigrants and technical cooperation. Wine remains the greatest single obstacle to any overall agreement. Algeria wishes to see its wines pay lighter duties on entering Europe, it wishes to be given some sort of guaranteed price and it refuses to allow them to be used to strengthen weaker French and Italian ones.

France and Italy are adamant that they will not accept the lowering of tariffs, although a compromise might be reached on the other issues. They argue that they must protect their own wine growers, who are a vociferous group. Other EEC members do not seem to be in any great hurry. They point out that, despite all these hurdles, Algeria does manage to export 1,500,000 hectolitres of wine to EEC countries every year. The European Commission is in favour of abolishing tariffs. It will help the

New freedom to bargain

Among other substantial European interests in these countries are the ports of agricultural products, especially Tunisia and Morocco.

But what happens to relations with Algeria is of prime importance. Having freed itself from excessive dependence on France, Algeria is in a better position to bargain. The country's resources, rate of growth, political determination to redress what it sees as the imbalance between rich and poor countries, its influence in Opec, all these are good reasons why a new policy must be thrashed out quickly. What is more, its ruling elite is extremely self-confident and capable.

In another area, also of vital importance to EEC countries, Algeria's voice has been listened to. At the European Security Conference in Helsinki in October 1972, the Algerians sent a delegation to explain the country's views. They were listened to carefully and Algeria was later asked to join the conference in Geneva, when it reconvened in 1973 and earlier this year. Algeria contributed to the discussions of the five major sub-committees. In effect, it was speaking for the Third World.

Algeria exerts considerable influence in the world. It is important to know what its policies are. Whether Europe likes it or not, its ways of thinking are a necessary reference point for whoever wishes to understand the aspirations of the Maghreb and the Third World.

The author, of the City Press, is a specialist in Algerian affairs.

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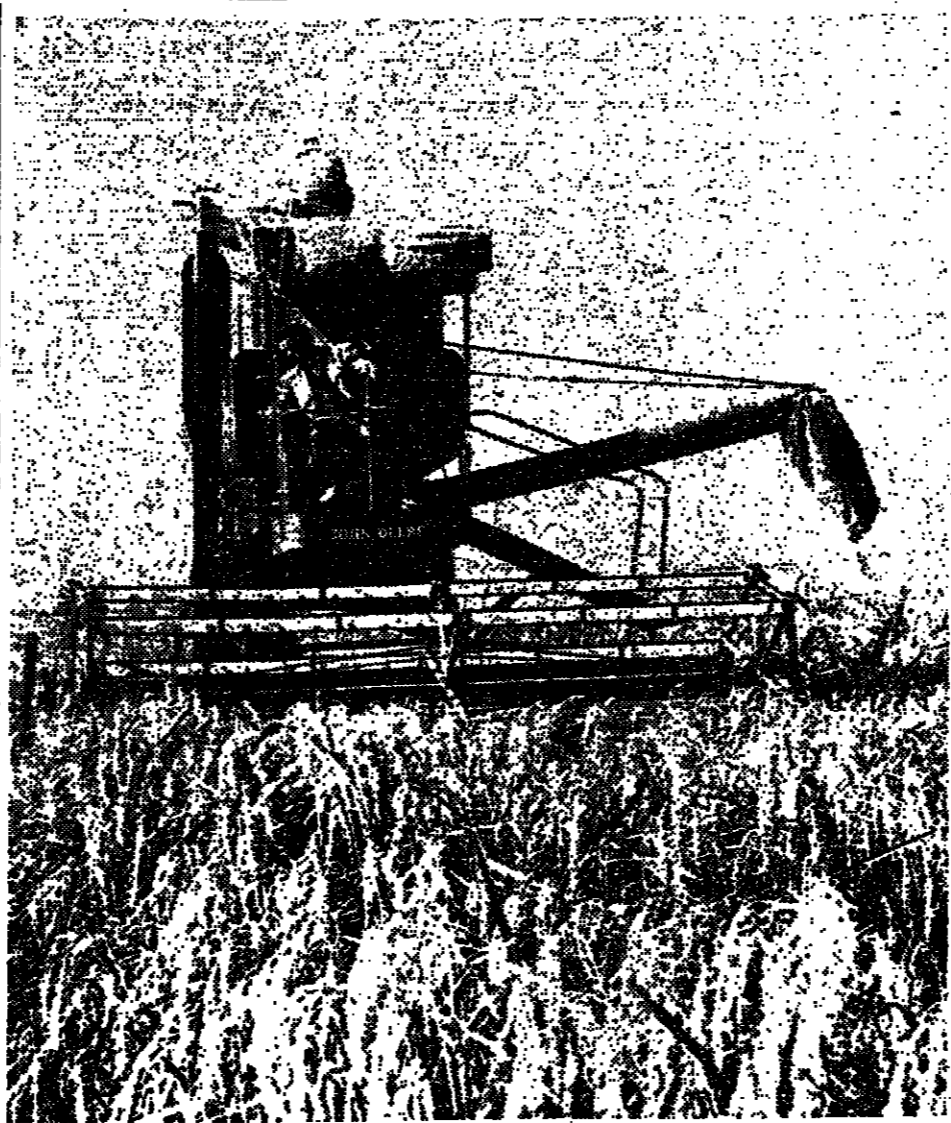
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A combine at work in an Algerian wheatfield. The countryside around Algiers and Oran is among the most fertile in the world.

Monopolies bring industry to an agricultural nation

by David Blake

Although most of its population earns its living off the land, it is with industry that Algeria's future lies. The farming sector, with more than half the population, is responsible for 10 per cent of the country's gross national product; industry (including oil and gas) produces over half, and its share is growing dramatically. Right at the core of all Algerian policy is a determination that by 1980 there shall be the basis of a modern industrial economy in the country.

The need for this is obvious. Under French rule, Algeria was treated as little more than a fruit farm for France. The French colonists grew oranges and lemons and above all made wine whose exposure to constant sun made it ideal for purifying the more vinegary products of France. For the colonists, whose living standards were kept up by preference on the French market and who had access to the industrial products of France, it was a good life. But for the Algerians, most of whom were effectively excluded from the cash economy, living standards were brutally low.

Although some of the countryside around Algiers and Oran is among the most fertile in the world, most of the country is desert and in no condition to provide a rapid rise in living standards. Even more important, with the population growing at 3.4 per cent a year, there is clearly little scope for finding the jobs which are so desperately needed in a farming sector whose biggest problem is over-employment and inefficiency. So right at the start of their planning exercise, the Algerians were forced to the conclusion that they were faced with a choice between industrialization and continuing and worsening poverty. They chose industrialization.

That they were able to make this choice and hope to carry it through owes much to the possession of oil. It is oil which has financed Algeria's growth, and it is this fact which has reinforced the already strong nationalist and socialist strands in the thinking of the country's planners. For the massive oil revenues (over 40 per cent of budget receipts in 1973 and a considerably higher proportion this year) have made the state a potential provider of large amounts of capital in a country which has been starved of it. As a result, even if the country's leaders had adopted a very different ideology, they would have been forced to make the state the prime

vehicle of any effort to bring industry to the nation.

In fact they have chosen a system which gives a monopoly of most of industry to the State or 30 *sociétés nationales*, one for each industry. Apart from the oil company, Sonatrach, whose size and history set it apart, the most important of these is the *Société Nationale de Sidérurgie*, which runs the country's rapidly growing steel industry. Its most important plant is the El Hadjar steel works at Annaba, the nucleus of the country's effort to become a major producer.

El Hadjar was initially planned by the French in 1959 as part of the so-called Constantine Plan which was designed to secure Algerian loyalty by raising living standards. But the French plans, which involved a small plant of 200,000 tons, had made almost no progress by the time independence came, and the plant considerably expanded, ended up being built by the Russians for the new state.

El Hadjar has had all the problems which afflict large projects of this kind and many more, so that it has been consistently behind schedule. Now, however, it has reached a capacity of something like 500,000 tons of steel a year and, with the help of British consultants, it is planned to push up output to between 1,500,000 and two million tons by 1977.

The iron ore comes by rail from the Ouenza mines, just inside Algeria's frontier with Tunisia, and the concept of processing Algeria's own natural resources, rather than sending them abroad to be dealt with, has played a key role in shaping the country's investments in the seven years from 1966 when the first two plans were put into effect.

But for the future, SNS has far more ambitious plans. Somewhere on the coast in the west of the country, it hopes to build a giant 10-million ton works, the first stage of which would become operational in about 1982. Just what the country will do with all this steel is a potential problem. Consumption has been rising rapidly, increasing from 300,000 tons in 1969 to one million tons today. Even optimistic projections suggest that by 1980 Algerian consumption will barely have topped three million, and one school of thought argues that to go ahead with building a massive plant to produce steel risks severe over-capacity, especially in terms of world surpluses which occur frequently. Against this supporters of the project point out that most estimates made in the

past have grossly under-estimated the Algerian ability to absorb supplies of basic materials. Plants which were expected to produce an embarrassing export surplus turn out to be barely sufficient to meet national needs, and in the case of cement there have been supply shortages which have played havoc with the country's construction programme.

Accepting this, however, it seems certain that if the west coast steelworks goes ahead, the country will have to become a significant steel exporter, with the most hopeful markets usually being considered as West Africa and possibly the countries of the communist block.

One of the main themes which has run through the first stage of the country's industrialization programme is the need to be able to produce the primary industrial products which the economy will use in its later stages of development, preferably using local raw materials. The materials, apart from steel, where this has been most noticeable have been fertilizers for farming, using the country's phosphate deposits, and cement for the construction industry. These two efforts have met with rather different success.

At Arzew, the phosphate fertilizer plant produces roughly 500,000 tons a year, which just covers the country's needs. That there is not a substantial surplus, as was predicted when the plant was set up, is due to the farming sector's unexpected heavy demand rather than to production problems.

To meet this demand, the next plan calls for fertilizer production to increase five times during the present plan, with a new phosphate plant and four factories to increase production of ammonium nitrate. Although it is hoped that this increase will result in export capacity, there is no doubt that home demand will come first. Domestic use is expected to double and the Government has adopted a policy of holding down the price in an effort to make fertilizers more readily available to the farming community, which is being encouraged to step up its production as part of the agrarian revolution.

The cement industry has been rather less successful than fertilizers, and its problems have caused big delays in the construction sector. Everything has worked against the Algerians. They underestimated the likely needs for building products, and then found themselves faced with a world cement shortage which had a doubly harmful effect.



A worker in a shoe factory at Sidi-bel-Abbès.

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